RECEIVED: REVIEWER: APP NO: 12/06/21 pLEL2204862535 LRL

NEW MEXICO OIL CONSERVATION DIVISION

- Geological & Engineering Bureau -



1220 South St. Francis Drive, S	Santa Fe, NM 87505
ADMINISTRATIVE APPLIC	CATION CHECKLIST
THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE A REGULATIONS WHICH REQUIRE PROCESSING	APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
	,
Applicant: Devon Energy Production Company, L.P.	OGRID Number: 6137
Well Name: Mule 23-11 Fed Com 623H	API: 30-015-Pending
Pool: Purple Sage; Wolfcamp	Pool Code: 98220
SUBMIT ACCURATE AND COMPLETE INFORMATION R INDICATED	
1) TYPE OF APPLICATION: Check those which apply to A. Location – Spacing Unit – Simultaneous Dedicular NSL NSP (PROJECT AREA)	
B. Check one only for [1] or [1] [1] Commingling – Storage – Measurement DHC DTB PLC PC [11] Injection – Disposal – Pressure Increase – WFX PMX SWD DIPI 2) NOTIFICATION REQUIRED TO: Check those which and an offset operators or lease holders	EOR PPR FOR OCD ONLY Apply. Notice Complete
 B. Royalty, overriding royalty owners, revenue C. Application requires published notice D. Notification and/or concurrent approval E. Notification and/or concurrent approval F. Surface owner G. For all of the above, proof of notification H. No notice required 	by SLO by BLM Content Complete
3) CERTIFICATION: I hereby certify that the informatic administrative approval is accurate and complete understand that no action will be taken on this approval notifications are submitted to the Division.	e to the best of my knowledge. I also
Note: Statement must be completed by an individu	al with managerial and/or supervisory capacity.
	D. 1 2 2001
Desir Course	December 3, 2021 Date
Darin Savage	24.0
Print or Type Name	970-385-4401 Phone Number
Darin C. Savage Date: 2021.12.03 14:44:03 -07'00' Signature	darin@abadieschill.com e-mail Address EXHIBIT

Released to Imaging: 2/22/2022 4:17:06 PM

SUBMITTED TO THE OIL CONSERVATION DIVISION:

Application of Devon Energy Production Company, L.P., for administrative approval of nonstandard well location (NSL) for its Mule Wells located in the N/2 NE/4 of Section 23 and the E/2 of Sections 14 and 11, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.

TABLE OF CONTENTS

Exhibit A:	Statement of attestation to the Division (19.15.13.13D)
Exhibit B:	Administrative Checklist for NSL
Exhibit C:	A statement discussing the reasons for the unorthodox location (19.15.15.13C)
Exhibit D:	C-102 Forms, specifically identifying the NSL (19.15.15.13C)
Exhibit E:	Tract map outlining unorthodox HSU with affected area tracts identified
	(10 15 15 13C)

Exhibit F: A list of affected persons, with addresses, entitled to notice of the application (19.15.15.13C)

Devon Energy Production Company, LLC



ABADIE I SCHILL PC

Colorado New Mexico
Louisiana Texas
Kansas Utah
Nebraska Wyoming
Montana California
Oklahoma North Dakota

December 6, 2021

Adrienne Sandoval, Director Oil Conservation Division New Mexico Department of Energy Minerals and Natural Resources 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Copy to: Leonard Lowe, Division Hearing Examiner

Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Mule 23-11 Fed Com 623H Well located in the N/2 NE/4 of Section 23 and the E/2 of Sections 14 and 11, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.

Dear Director Sandoval:

Devon Energy Production Company, L.P., ("Devon"), OGRID No. 6137, is seeking administrative approval of a unorthodox well location ("NSL") for its Mule 23-11 Fed Com 623H (API Nos. 30-015-Pending), gas well, covering 720-acres, to be completed within the Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220) underlying the N/2 NE/4 of Section 23 and the E/2 of Sections 14 and 11, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico. A C-102 for the Well is attached as Exhibit D. This is a horizontal well that will be drilled as follows:

Mule 23-11 Fed Com 623H Well:

- Surface Location (SL): 959' from the North line and 2,097' from the East line of Section 23, Township 25 South, Range 31 East;
- Bottom Hole Location (BHL): 20' from the North line and 2,090' from the East line of Section 11, Township 25 South, Range 31 East;
- First Take Point (FTP): 1,211' from the North line and 2,090' from the East line of Section 23, Township 25 South, Range 31 East;
- Last Take Point (LTP): 100' from the North line and 2,090' from the East line of Section 11, Township 25 South, Range 31 East.

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O: 970.385.4401 • F: 970.385.4901

EXHIBIT **A**

Devon has included as Exhibit C, a letter explaining why this application is needed. This well will produce from the Purple Sage Wolfcamp Pool (Pool Code 98220). There are special pool rules for this pool under Order No. R-14262, that establish 330' setback requirements. The completed interval for the proposed well is closer than 330' from the boundary of the spacing unit.

The unorthodox well location will encroach towards the S/2 NE/4 of Section 23 and the SE/4 of Section 2, Township 25 South, Range 31 East.

Devon attests that, on or before submission of this application, it provided notice to the affected persons in the adjoining S/2 NE/4 of Section 23 and the SE/4 of Section 2, Township 25 South, Range 31 East; said notice as described satisfies all provisions of NMAC 19.15.4.12A(2)(a) and NMAC 19.15.15.13D; copies of the application and required plat maps were furnished. Devon also provided notice to the Bureau of Land Management to the extent that they own interest with respect to areas adjoining the proposed unorthodox well location unit. Additionally, Devon obtained an NSL waiver agreement from Mewbourne Oil Company, whose operating interests are in the S/2 N/2 of Section 23. Devon provides herein a tract map outlining the unorthodox HSU with affected area tracts identified, attached as Exhibit E. Proof of mailing, along with a copy of the notice letter sent to listed affected persons and parties, is attached hereto as Exhibit F. The development plan for this unit is pursuant to a Joint Operating Agreement; therefore, there is no associated pooling case number.

Your consideration in this matter is appreciated.

Sincerely,

Darin C. Savage Attorney for Applicant



Devon Energy Production Company, L.P. 333 West Sheridan Avenue Oklahoma City, OK 73102-5015

December 1, 2021

Mr. Leonard Lowe New Mexico Oil Conservation Division 1220 South Francis Drive Santa Fe, New Mexico 87505

RE:

Application for Nonstandard Location

Engineering Statement

Devon Energy Production Company, L.P.

Mule 23-11 Fed Com 612H, 621H, 623H, 624H, 711H, 712H, 713H, 714H, 731H, 732H, 733H, and 734H

(the "Mule Wells")

All of Section 11, 14, and N/2N/2 of 23-25S-31E

Eddy County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, L.P. respectfully requests administrative approval of a non-standard location ("NSL") for each of the Mule Wells referenced above. The Mule Wells are in the Purple Sage-Wolfcamp Gas Pool (Pool Code 98220). It is Devon's responsibility as a prudent operator to minimize reserves left in the ground. Decreasing the first and last take point from three hundred and thirty feet (330') to one hundred feet (100') will increase the wells effective lateral length by 460 feet thereby increasing ultimate recovery of reserves and thereby preventing waste of natural resources.

Sincerely,

Paige Bowes

Reservoir Engineer

Paige Bowes

EXHIBIT

Devon - Public

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (575) 746-1283 Fax: (575) 748-9720

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

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

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

	WELL LOCATION AND ACREAGE DEDICATION I LAT	
API Number	Pool Code Pool Name	
		77 11 27 1
Property Code	Property Name	Well Number
	MULE 23-11 FED COM	623H
OGRID No.	Operator Name	Elevation
6137	DEVON ENERGY PRODUCTION COMPANY, L.P.	3366.6'

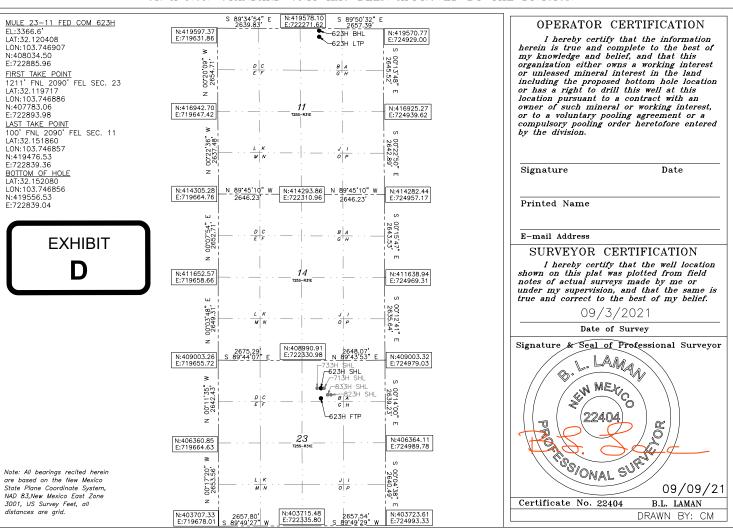
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
В	23	25-S	31-E		959	NORTH	2097	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
В	11	25-S	31-E		20	NORTH	2090	EAST	EDDY
Dedicated Acres Joint or Infill Consolidation Code			Code Or	der 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



Inten	t	As Dril	led										
API#													
Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP.						Property Name: MULE 23-11 FED COM							Well Number 623H
Kick C	Off Point	(KOP)											
UL	Section	Township	Range	Lot	Feet		From N/S	Fee	et	Fron	n E/W	County	
Latitu	ıde				Longitu	ıde				1		NAD	
First 7	Гаke Poin	it (FTP)			1								
UL В	Section 23	Township 25-S	Range 31-E	Lot	Feet 1211		From N/S	Fee H 20		From	n E/W	County	,
Latitu	1		<u> </u>		Longitu	ıde	6886	1,20			<u>. </u>	NAD 83	
Last T	āke Poin	t (LTP)											
UL В	Section 11	Township 25-S	Range 31-E	Lot	Feet 100		n N/S Fe	et 090	From		Count		
Latitu 32 .	ide 1518	60			Longitu 103	tude NAD 83							
Is this	s well the	defining v	vell for th	e Horiz	zontal S _l	pacing	g Unit?				l		
Is this	s well an	infill well?]								
	ll is yes p ng Unit.	lease provi	ide API if	availab	ile, Ope	rator	Name and	d well	numbe	r for I	Definir	ng well fo	r Horizontal
API#]										
Ope	rator Nar	me:				Prop	erty Nam	ie:					Well Number
													KZ 06/29/2018

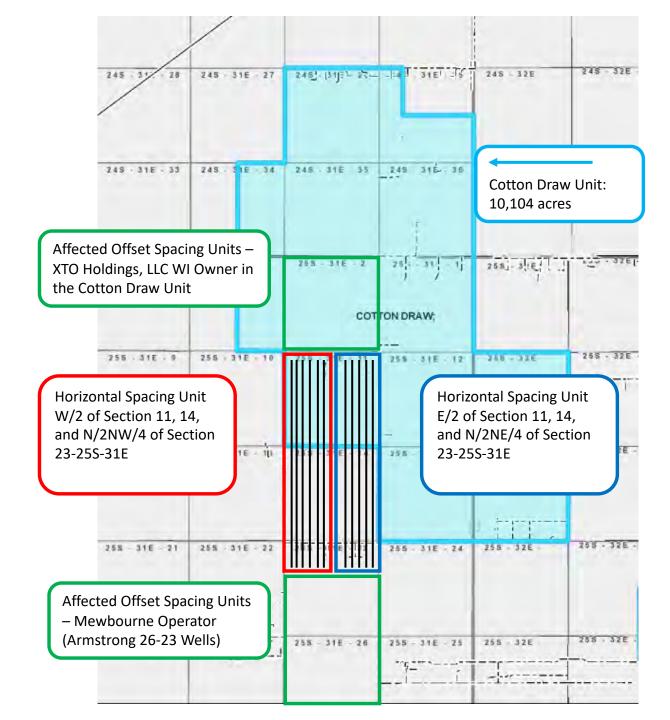


EXHIBIT **E**

Overlapping Spacing Sections 23-25S-31E, Eddy County, NM Devon Energy Production Company, L.P.

Company Name	Туре	Address	Certified Mail	Date Mailed	STATUS	Date Received	Green Card Received	STR	Tract	Pool Code	Devon Energy Well
		22777 Springwoods Village						All of Section 2-25S-31E	A, B, C, D, E, F, G, H, I, J,		Mule 23-11 Fed Com 621H, 711H, 731H, 612H, 712H,
XTO Energy, Inc.	WI	Parkway, Spring, TX, 77389	70210950000069888708	12/6/21					K, L, M,N, O, & P		732H, 623H, 713H, 733H, 624H, 714H, & 734H
		500 W. Texas, Ste 1020, Midland,						S/2 N/2 of Section 23-25S-31E	E, F, G, & H		Mule 23-11 Fed Com 621H, 711H, 731H, 612H, 712H,
Mewbourne	Operator	TX, 79701	70210950000069888722	12/6/21							732H, 623H, 713H, 733H, 624H, 714H, & 734H
		620 E. Greene Street, Carlsbad, NM						All of Sections 23,14, and 11	A, B, C, D, E, F, G, H, I, J,		Mule 23-11 Fed Com 621H, 711H, 731H, 612H, 712H,
Bureau of Land Management	Royalty	88220-6292	70210950000069888715	12/6/21				in 25S-31E	K, L, M,N, O, & P		732H, 623H, 713H, 733H, 624H, 714H, & 734H

EXHIBIT

F



ABADIE I SCHILL PC

Colorado New Mexico
Louisiana Texas
Kansas Utah
Nebraska Wyoming
Montana California
Oklahoma North Dakota

December 6, 2021

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

NOTICE TO AFFECTED PERSONS/PARTIES RE: APPLICATIONS FOR ADMINISTRATIVE APPROVAL OF UNORTHODOX WELL LOCATIONS

- 1) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Mule 23-11 Fed Com 623H Well located in the N/2 NE/4 of Section 23 and E/2 of Sections 14 and 11, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.
- 2) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Mule 23-11 Fed Com 713H Well located in the N/2 NE/4 of Section 23 and E/2 of Sections 14 and 11, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.
- 3) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Mule 23-11 Fed Com 733H Well located in the N/2 NE/4 of Section 23 and E/2 of Sections 14 and 11, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.
- 4) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Mule 23-11 Fed Com 624H Well located in the N/2 NE/4 of Section 23 and E/2 of Sections 14 and 11, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.
- 5) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Mule 23-11 Fed Com 714H Well located in the N/2 NE/4 of Section 23 and E/2 of Sections 14 and 11, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.
- 6) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Mule 23-11 Fed Com 734H Well located in the N/2 NE/4 of Section 23 and E/2 of Sections 14 and 11, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.

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To the Parties/Persons this may concern:

Enclosed in this notice are copies of the above referenced applications filed with the New Mexico Conservation Division on the date referenced above. You are being notified in your capacity as a person or party in an adjoining section or unit pursuant to our request for approval of an unorthodox well location of the above-referenced wells. Any objections that you have to one or more of these applications must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the applications filed for administrative approval by the Division. Email correspondence for this matter can be sent to the Division at OCD.Engineer@state.nm.us.

If you have any questions concerning this application, please contact:

Verl Brown Supervising Landman Devon Energy Production Company, L.P. (405) 228-8804 Verl.Brown@dvn.com

If you have no objections to these applications, please sign the waiver as indicated below and return the original to the address listed on this letterhead. Your assistance and cooperation in this matter are appreciated.

Sincerely,

Darin C. Savage

Attorney for Devon Energy Production Company, L.P.

Annlication for an Illegath along I coat	hereby waives objection to the above referenced
	ion for the Mule 23-11 Fed Com 623H Well located in the tions 14 and 11, Township 25 South, Range 31 East, NMPM,
Dated:	Signature:
	hereby waives objection to the above referenced ion for the Mule 23-11 Fed Com 713H Well located in the tions 14 and 11, Township 25 South, Range 31 East, NMPM,
Dated:	Signature:
	hereby waives objection to the above referenced ion for the Mule 23-11 Fed Com 733H Well located in the tions 14 and 11, Township 25 South, Range 31 East, NMPM,
Dated:	Signature:
	hereby waives objection to the above referenced ion for the Mule 23-11 Fed Com 624H Well located in the tions 14 and 11, Township 25 South, Range 31 East, NMPM,
Dated:	Signature:

	hereby waives objection to the above referenced
Application for an Unorthodox Locati	on for the Mule 23-11 Fed Com 714H Well located in the
N/2 NE/4 of Section 23 and E/2 of Sect	ions 14 and 11, Township 25 South, Range 31 East, NMPM
Eddy County, New Mexico.	
Dated:	Signature:
Dated.	Signature.
	haraby yyaiyas abjection to the above reference
Application for an Unarthoday Locati	hereby waives objection to the above referenced on for the Mule 23-11 Fed Com 734H Well located in the
11	ions 14 and 11, Township 25 South, Range 31 East, NMPM
Eddy County, New Mexico.	ions 14 and 11, 10 whiship 25 South, Range 31 East, Will Wi
- ·	
Dated:	Signature:

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

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

CONDITIONS

Action 65256

CONDITIONS

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	65256
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	12/20/2021