

RECEIVED: 06/22/22	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2217846791
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Devon Energy Production Company **OGRID Number:** 6137
Well Name: Serpentine 2-26 State Fed Com 30H, and Serpentine 2-35 State Fed Com 26H & 31H **API:** 30-025-Pending
Pool: Brinnistool; Bone Spring Pool **Pool Code:** 7320

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location - Spacing Unit - Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
 [I] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
 [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Darin Savage

Print or Type Name

Signature

June 21, 2022
Date

970-385-4401
Phone Number

darin@abadieschill.com
e-mail Address



SUBMITTED TO THE OIL CONSERVATION DIVISION:

Application of Devon Energy Production Company, L.P., for administrative approval of nonstandard proration unit (NSP) for its Serpentine Wells located in the SW/4 SE/4 of Section 26 and the E/2 of Section 35, Township 22 South, Range 33 East, and the E/2 (including Lots 1 and 2) of Section 2, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico

TABLE OF CONTENTS

Exhibit A:	Statement of attestation to the Division (19.15.15.11B(4))
Exhibit B:	Administrative Checklist for NSP
Exhibit C:	A statement discussing the reasons for the formation of the nonstandard spacing unit (19.15.15.11B(3)(c))
Exhibit D:	C-102 Forms
Exhibit E:	Plats showing: (1) the proposed nonstandard spacing unit with all adjoining tracts and spacing units; (2) an applicable standard spacing unit; and (3) the proposed well dedications (19.15.15.11B(3)(a))
Exhibit F:	A list of affected persons, with addresses, entitled to notice of the application (19.15.15.11B(3)(b)) and a copy of the letter sent to affected persons.

Devon Energy Production Company, LLC



For the Pursuit of Energy

ABADIE | SCHILL PC

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

June 22, 2022

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 nonstandard spacing and proration unit for its Serpentine 2-26 State Fed Com 30H and Serpentine 2-35 State Fed Com 26H & 31H Wells located in the SW/4 SE/4 of Section 26 and the E/2 of Section 35, Township 22 South, Range 33 East, and the E/2 (including Lots 1 and 2) of Section 2, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico.

Dear Director Sandoval:

Devon Energy Production Company, L.P., (“Devon”), OGRID No. 6137, is seeking administrative approval of a nonstandard spacing and proration unit (“NSP”) for its Serpentine 2-26 State Fed Com 30H and Serpentine 2-35 State Fed Com 26H & 31H Wells (API Nos. 30-025-Pending), oil wells, covering a 679.58-acre unit, to be completed within the Brinnistool; Bone Spring Pool (Pool Code 7320) underlying the SW/4 SE/4 of Section 26 and the E/2 of Section 35, Township 22 South, Range 33 East, and the E/2 (including Lots 1 and 2) of Section 2, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico. C-102s for the Wells are attached as Exhibit D. These are horizontal wells that will be drilled as follows:

Serpentine 2-35 State Fed Com 26H Well:

- Surface Location (SL): 389’ from the South line and 1338’ from the East line of Section 2, Township 23 South, Range 33 East;
- Bottom Hole Location (BHL): 20’ from the North line and 1254’ from the East line of Section 35, Township 22 South, Range 33 East;
- First Take Point (FTP): 100’ from the South line and 1254’ from the East line of Section 2, Township 23 South, Range 33 East;

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901



- Last Take Point (LTP): 100' from the North line and 1254' from the East line of Section 35, Township 22 South, Range 33 East.

Serpentine 2-26 State Fed Com 30H Well:

- Surface Location (SL): 642' from the South line and 313' from the East line of Section 2, Township 23 South, Range 33 East;
- Bottom Hole Location (BHL): 1300' from the South line and 1680' from the East line of Section 26, Township 22 South, Range 33 East;
- First Take Point (FTP): 100' from the South line and 1250' from the East line of Section 2, Township 23 South, Range 33 East;
- Last Take Point (LTP): 1220' from the South line and 1680' from the East line of Section 26, Township 22 South, Range 33 East.

Serpentine 2-35 State Fed Com 31H Well:

- Surface Location (SL): 642' from the South line and 283' from the East line of Section 2, Township 23 South, Range 33 East;
- Bottom Hole Location (BHL): 20' from the North line and 330' from the East line of Section 35, Township 22 South, Range 33 East;
- First Take Point (FTP): 100' from the South line and 330' from the East line of Section 2, Township 23 South, Range 33 East;
- Last Take Point (LTP): 100' from the North line and 330' from the East line of Section 35, Township 22 South, Range 33 East.

Devon has included as Exhibit C, a letter explaining why this application is needed. These wells will produce from the Brinnistool; Bone Spring Pool (Pool Code 7320). The Brinnistool; Bone Spring Pool is designated an oil pool and statewide rules apply.

The nonstandard spacing unit will be comprised of the SW/4 SE/4 of Section 26 and the E/2 of Section 35, Township 22 South, Range 33 East, and the E/2 (including Lots 1 and 2) of Section 2, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico, and therefore notice was provided to affected persons in all tracts and spacing units adjoining the proposed unit, pursuant to 19.15.16.15B(5)(b).

Devon attests that, on or before submission of this application, it provided notice to the affected persons in the SE/4 SE/4 of Section 26, Township 22 South, Range 33 East; said notice as described satisfies all provisions of NMAC 19.15.15.11B(4) and NMAC 19.15.16.15B(5)(b); copies of the application and required plat maps were furnished. Devon provides herein a sectional map of this area showing the proposed nonstandard unit and the standard unit, 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 unit is the subject of a compulsory pooling application scheduled for a July 7, 2022 Hearing before the Oil Conservation Division; the associated pooling case number is OCD Case No. 22884.

Your consideration in this matter is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read 'Darin C. Savage', written over a horizontal line.

Darin C. Savage
Attorney for Applicant



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

June 9, 2022

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

RE: Application for Non-Standard Spacing Unit
Engineering Statement
Devon Energy Production Company, L.P.
Serpentine 2-26 State Fed Com 30H
Serpentine 2-35 State Fed Com 26H & 31H
(the "Serpentine Wells")
E2 of Section 2-235-33E and E2 Sec. 35 & SWSE Sec. 26-225-33E
Lea County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, L.P. respectfully requests administrative approval of a non-standard spacing unit for each of the Serpentine Wells referenced above. The Serpentine Wells are in the Brinnistool; Bone Spring Pool (Pool Code 7320). It is Devon's responsibility as a prudent operator to minimize reserves left in the ground. Increasing the spacing from 639.58-acres to 679.58-acres will allow for additional recovery thereby increasing ultimate recovery and prevent waste of natural resources.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sarah Liem". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Sarah Liem
Reservoir Engineer

EXHIBIT
C

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

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

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name	Well Number
OGRID No.	Operator Name	Elevation
6137	DEVON ENERGY PRODUCTION COMPANY, L.P.	3551.8'

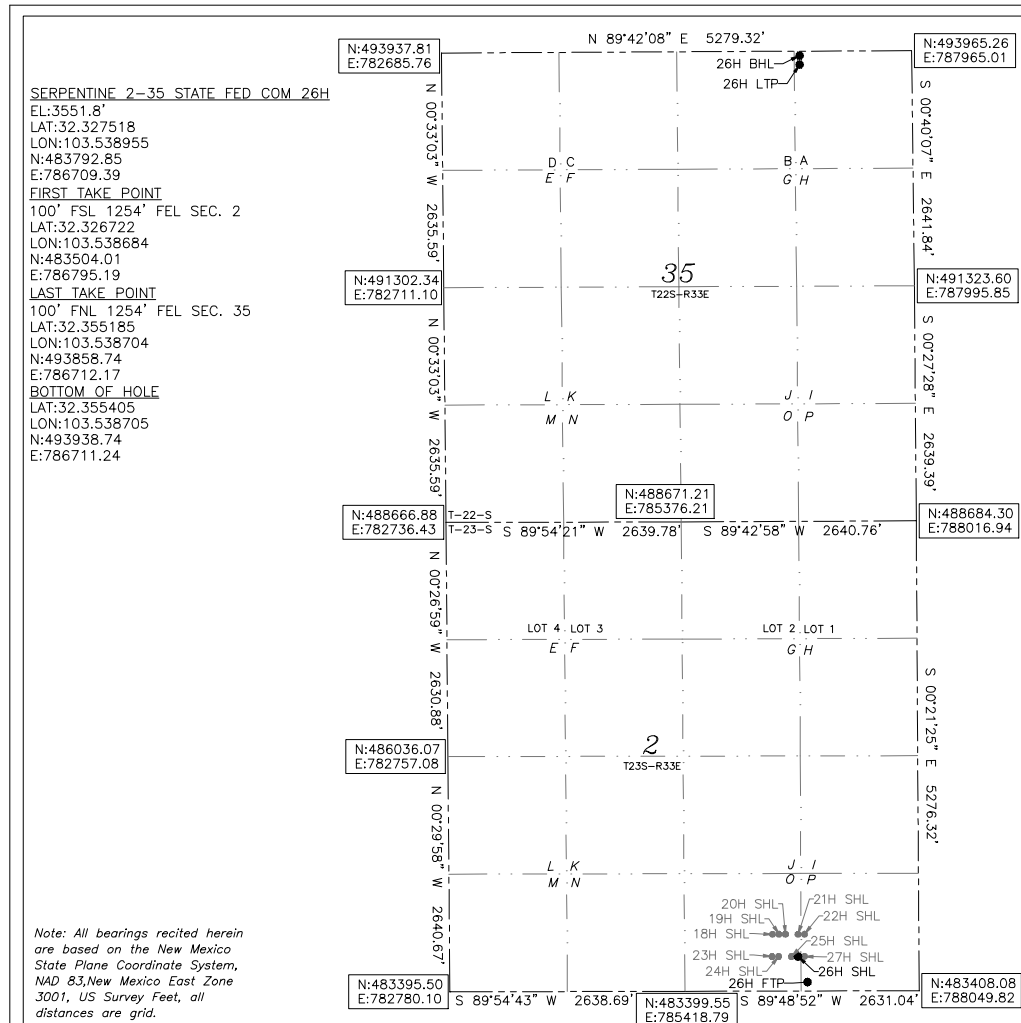
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	2	23-S	33-E		389	SOUTH	1338	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	35	22-S	33-E		20	NORTH	1254	EAST	LEA
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

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



OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

SURVEYOR CERTIFICATION

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

10/8/2021

Date of Survey

Signature & Seal of Professional Surveyor

EXHIBIT D

10/21/21

Certificate No. 22404 B.L. LAMAN

DRAWN BY: CM

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

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

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name	
	SERPENTINE 2-26 STATE FED COM	
	Well Number	
	30H	
OGRID No.	Operator Name	
6137	DEVON ENERGY PRODUCTION COMPANY, L.P.	
	Elevation	
	3549.8'	

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	2	23-S	33-E		642	SOUTH	313	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	26	22-S	33-E		1300	SOUTH	1680	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

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

SERPENTINE 2-26 STATE FED COM 30H
EL: 3549.8'
LAT: 32.328202
LON: 103.536636
N: 484049.23
E: 787732.81

FIRST TAKE POINT
100' FSL 1250' FEL SEC. 2
LAT: 32.326722
LON: 103.536671
N: 483504.03
E: 786799.19

LAST TAKE POINT
1220' FSL 1680' FEL SEC. 26
LAT: 32.358816
LON: 103.540072
N: 495176.51
E: 786280.02

BOTTOM OF HOLE
LAT: 32.359036
LON: 103.540071
N: 495256.51
E: 786279.69

OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

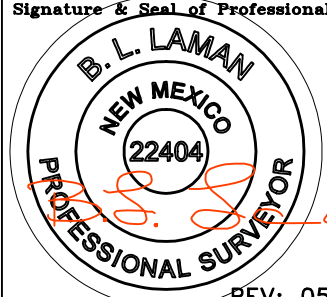
SURVEYOR CERTIFICATION

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

10/8/2021

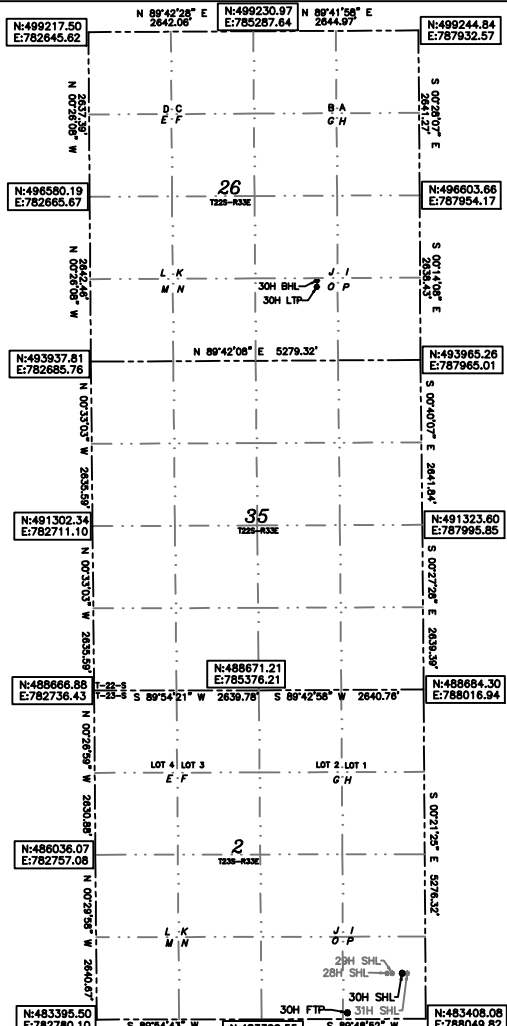
Date of Survey

Signature & Seal of Professional Surveyor



REV: 05/26/22

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



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

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
Property Code	Property Name		Well Number
	SERPENTINE 2-35 STATE FED COM		31H
OGRID No.	Operator Name		Elevation
6137	DEVON ENERGY PRODUCTION COMPANY, L.P.		3549.4'

Surface Location

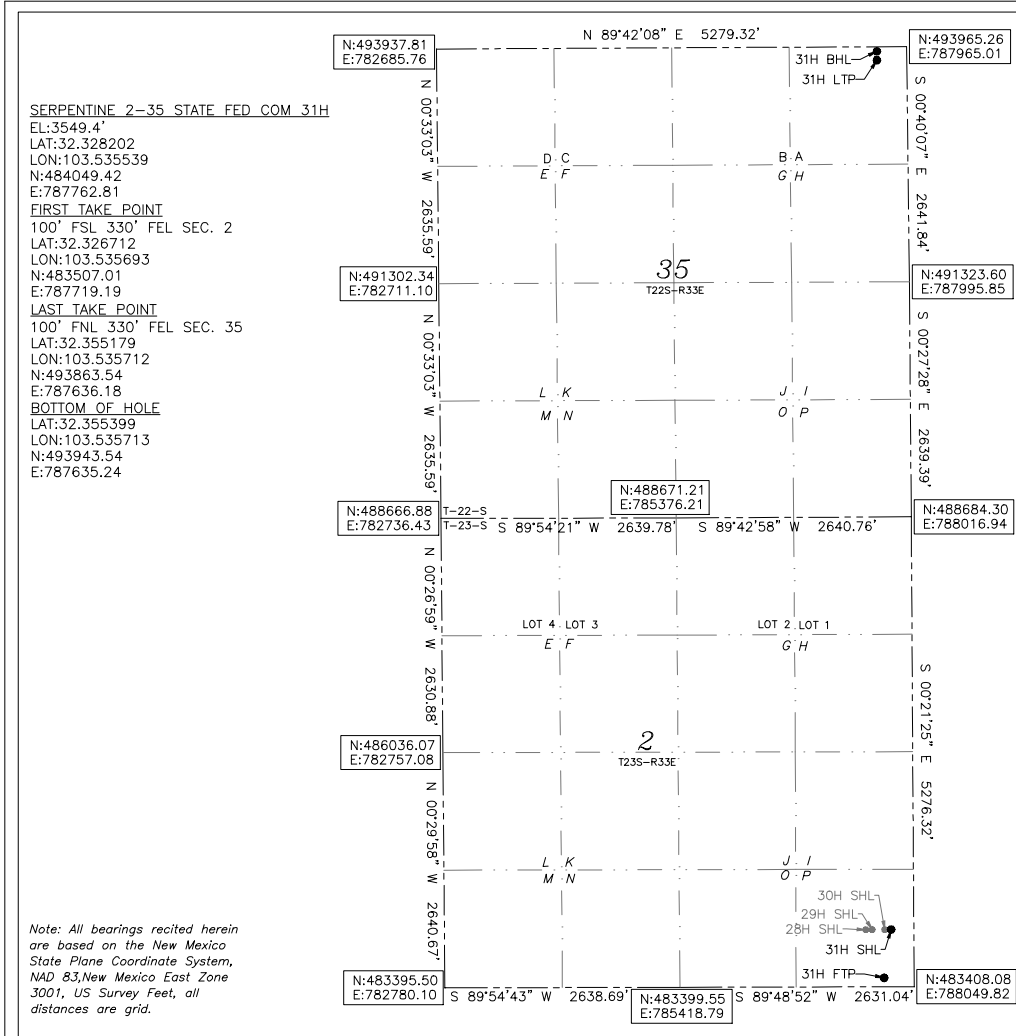
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	2	23-S	33-E		642	SOUTH	283	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	35	22-S	33-E		20	NORTH	330	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

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



OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

SURVEYOR CERTIFICATION

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

10/8/2021

Date of Survey _____

Signature & Seal of Professional Surveyor

10/22/21

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

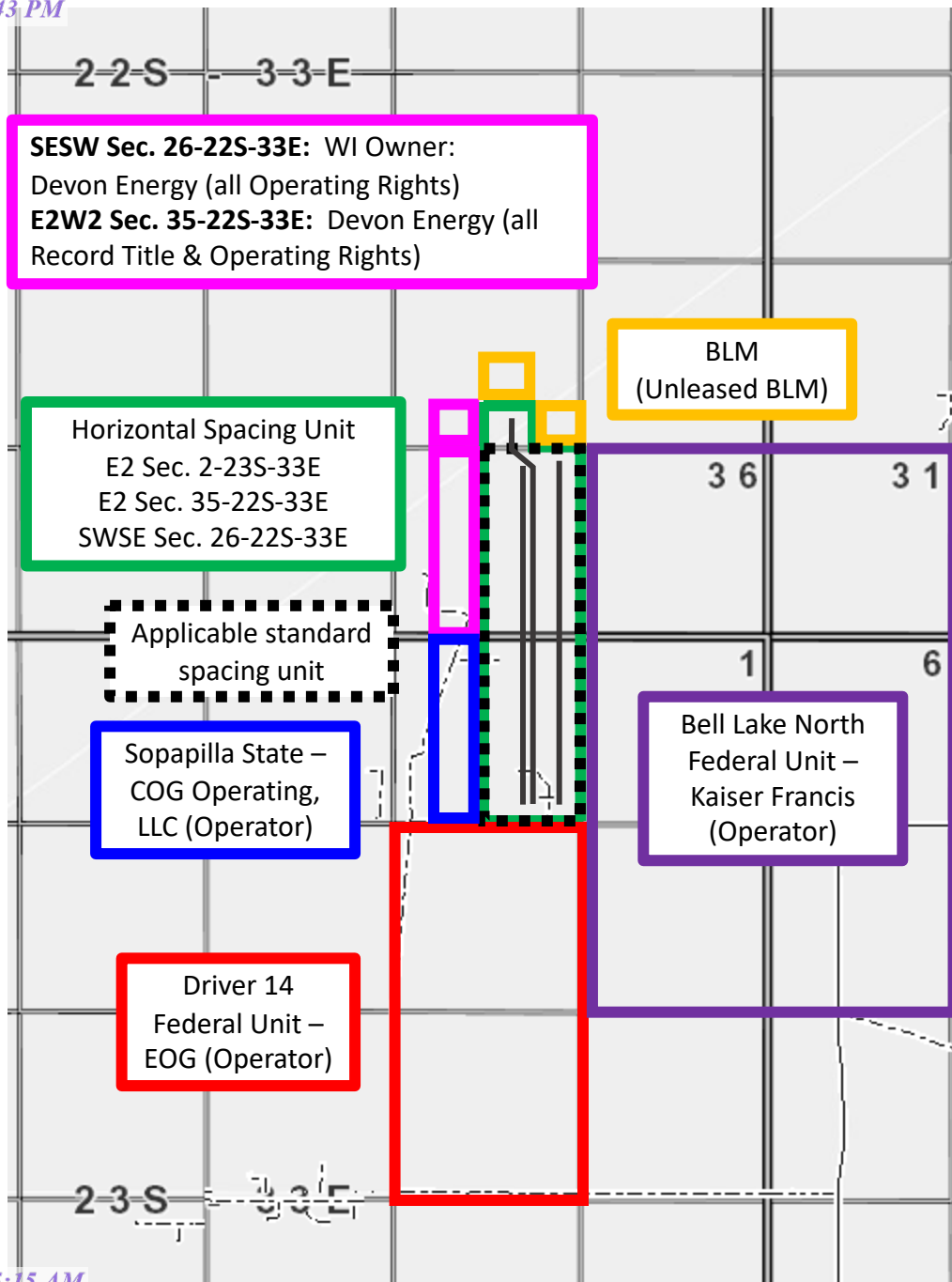


EXHIBIT
E

LIST OF AFFECTED PERSONS

NAME	ADDRESS	CITY	STATE	ZIP	Certified Mail No.	Date Mailed
COG OPERATING LLC (CONOCOPHILLIPS)	600 W ILLINOIS AVE	MIDLAND	TX	79701	70220410000183772064	6/22/22
EOG RESOURCES INC. (Midland)	5509 CHAMPIONS DR	MIDLAND	TX	79706	70220410000183772701	6/22/22
EOG RESOURCES INC. (Houston)	1111 BAGBY ST SKY LOBBY 2	HOUSTON	TX	77002	70220410000183772088	6/22/22
KAISER FRANCIS OIL COMPANY	6733 S YALE AVE	TULSA	OK	74136	70220410000183772095	6/22/22
U.S. Bureau of Land Management	414 W Taylor St	Hobbs	NM	88240	70220410000183772101	6/22/22
New Mexico State Land Office	310 Old Santa Fe Trail	Santa Fe	NM	87501	70220410000183772118	6/22/22

EXHIBIT
F



For the Pursuit of Energy

ABADIE | SCHILL PC

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

June 22, 2022

**VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

**NOTICE TO AFFECTED PERSONS/PARTIES
RE: APPLICATIONS FOR ADMINISTRATIVE APPROVAL OF NONSTANDARD
SPACING AND PRORATION UNIT**

Re: Application of Devon Energy Production Company, L.P., for administrative approval of nonstandard spacing and proration unit for its Serpentine 2-26 State Fed Com 30H and Serpentine 2-35 State Fed Com 26H & 31H Wells located in the SW/4 SE/4 of Section 26 and the E/2 of Section 35, Township 22 South, Range 33 East, and the E/2 (including Lots 1 and 2) of Section 2, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico.

To the Parties/Persons this may concern:

Enclosed in this notice is a copy of the above referenced application 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 a nonstandard spacing and proration unit. Any objections that you have to this application 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:

Matthew Hoops, CPL
Sr. Staff Landman
Devon Energy Production Company, L.P.
(405) 552-3337
Matthew.hoops@dvn.com

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

If you have no objections to this application, 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,

A handwritten signature in black ink, appearing to read "Darin C. Savage". The signature is stylized with a large loop and a horizontal line extending to the right.

Darin C. Savage

Attorney for Devon Energy
Production Company, L.P.

Waiver

_____ hereby waives objection to the above referenced Application of Devon Energy Production Company, L.P., for administrative approval of nonstandard spacing and proration unit for its Serpentine 2-26 State Fed Com 30H and Serpentine 2-35 State Fed Com 26H & 31H Wells located in the SW/4 SE/4 of Section 26 and the E/2 of Section 35, Township 22 South, Range 33 East, and the E/2 (including Lots 1 and 2) of Section 2, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico.

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
District IV
 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 119658

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 119658
	Action Type: [UF-NSP] Non-Standard Proration (NSP)

CONDITIONS

Created By	Condition	Condition Date
llowe	NSP - 2137 is approved. The approved Order can be retrieved at the following OCD: website. https://ocdimage.emnrd.nm.gov/imaging/AEOrderCriteria.aspx	9/1/2022