NSL - 8444

| RECEIVED: | REVIEWER: | TYPE: | APP NO: | LEL2227648928 | | | |
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| | ADMINISTR | ATIVE APPLICATI | ON CHECKLIST | | | | |
| THIS | CHECKLIST IS MANDATORY FOR AL | | TIONS FOR EXCEPTION | is to division rules and | | | |
| Applicant: <u>WPX End</u> | ergy Permian, LLC | | OG | RID Number: 246289 | | | |
| Vell Name: Clawha | ammer 33-28-21 Federal Com 413H | (defining well) | | 30-015-49832 | | | |
| | Pool: Purple Sage Wolfcamp Gas pool Pool C | | | | | | |
| 1) TYPE OF APPL | CATION: Check those | INDICATED BELC | | | | | |
| A. Location | – Spacing Unit – Simult | aneous Dedicatio | n _ | ∃sd | | | |
| [1] Com [| ne only for [1] or [11] mingling – Storage – M DHC CTB PL ction – Disposal – Pressu WFX PMX SV | .C | nced Oil Reco | very | | | |
| , | NREQUIRED TO: Check | , | | Notice Complete | | | |
| B. Royal C. Appli D. Notific E. Notific | operators or lease hold ty, overriding royalty ov cation requires publishe cation and/or concurre cation and/or concurre ce owner | vners, revenue ow ed notice ent approval by SL | 0 | Application Content Complete | | | |
| | l of the above, proof of ptice required | notification or pu | blication is atta | iched, and/or, | | | |
| administrative understand th | N: I hereby certify that t approval is accurate on at no action will be tak are submitted to the Div | and complete to the sen on this applice | he best of my k | | | | |
| | | | | | | | |

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

Paula M Vance

Print or Type Name

anth h

Signature

9/20/2022 Date

505-954-7286

Phone Number

pmvance@hollandhart.com e-mail Address

Released to Imaging: 10/24/2022 10:47:10 AM



Paula M. Vance Associate Phone (505) 954-7286 PMVance@hollandhart.com

September 20, 2022

VIA ONLINE FILING

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

Re: WPX Energy Permian, LLC Request for Administrative Approval of Unorthodox Well Location

Clawhammer 33-28-21 Federal Com 413H All of irregular Section 33, all of Section 28, and the S/2 of Section 21, T26S, R30E Eddy County, New Mexico Purple Sage Wolfcamp Gas pool [98220] API No. 30-015-49832

Dear Ms. Sandoval:

WPX Energy Permian, LLC (OGRID No. 246289), pursuant to Division Rules 19.15.16.15(C)(6) and 19.15.15.13 NMAC and applicable rules governing acreage and well location requirements for the Purple Sage Wolfcamp Gas pool [98220], seeks administrative approval of an unorthodox well location for its **Clawhammer 33-28-21 Federal Com 413H well** (API No. 30-015-49832), in a 1219.08-acre, more or less, spacing unit underlying all of irregular Section 33, all of Section 28, and the S/2 of Section 21, Township 26 South, Range 30 East, Eddy County, New Mexico.

The proposed location is as follows:

Clawhammer 33-28-21 Federal Com 413H: (DEFINING WELL)

- Surface location: 293' FSL and 1521' FEL (Lot 2) of Section 33
- First take point: 100' FSL and 2550' FEL (Lot 2) of Section 33
- Last take point: 2559' FSL and 2550' FEL (Unit J) of Section 21
- Bottom hole location: 2609' FSL and 2550' FEL (Unit J) of Section 21

Since this acreage is governed by the Division's statewide rules, the completed interval for this well will be unorthodox because it is closer than the standard offsets to the northern and southern

| T 505.988.4421 F 505.983.6043 | 1 | | |
|---|----------|------------|------------------|
| 110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849 | Alaska | Montana | Utah |
| Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208 | Colorado | Nevada | Washington, D.C. |
| www.hollandhart.com | Idaho | New Mexico | Wyoming |

boundary of the spacing unit – thus encroaching on the N/2 of Section 21, T26S, R30E and the lands south of the spacing unit across the New Mexico and Texas border. As explained in the engineering statement included as **Exhibit A**, approval of the unorthodox, completed interval will allow WPX to use its preferred first and last take points for the horizontal well, which will maximize recovery and prevent waste.

Exhibit B is a Form C-102 showing the proposed well encroaches on the spacing unit/tracts to the north in the N/2 of Section 21, T26S, R30E and in the lands south of the spacing unit across the New Mexico and Texas border.

Exhibit C is a plat for the N/2 of Section 21, T26S, R30E and for the lands south of the spacing unit across the New Mexico and Texas border, that show the proposed well in relation to the adjoining spacing unit/tracts to the north and south. Exhibit C also includes an ownership list for the affected spacing unit to the north, showing that it is owned by EOG Resources Inc., and to the south, showing that it is owned by Devon and BPX Properties (NA) LP, as the working interest owners. Accordingly, the "affected persons" ¹ are EOG Resources Inc., Devon and BPX Properties (NA) LP.

Exhibit D is a spreadsheet listing all affected persons and includes tracking information demonstrating that each of the affected persons was sent a copy of this application with all attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application. The following are the affected persons:

| Туре | Affected Party | Location |
|-----------|------------------------|-------------|
| Operator/ | EOG Resources Inc. | N/2 Section |
| Working | | 21 |
| Interest | | |
| Operator/ | Devon | Section 5, |
| Working | | Blk. 56, |
| Interest | | Township 1, |
| | | Loving |
| | | County, TX |
| Operator/ | BPX Properties (NA) LP | Section 5, |
| Working | | Blk. 56, |
| Interest | | Township 1, |
| | | Loving |
| | | County, TX |

T 505.988.4421 F 505.983.6043 110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849 Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208 www.hollandhart.com

Alaska Colorado Idaho Montana Nevada New Mexico

Utah Washington, D.C. Wyoming

¹ See NMAC §§ 19.15.2.7.A(8) [defining "affected persons" as, "in the absence of an operator, or with respect to an application wherein the operator of the spacing unit or identified tract is the applicant, each working interest owner"] and 19.15.4.12.A(2)(a).

Your attention to this matter is appreciated.

Sincerely,

Pathin

Paula M. Vance ATTORNEY FOR WPX ENERGY PERMIAN, LLC

T 505.988.4421 F 505.983.6043 110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849 Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208 www.hollandhart.com

Alaska Colorado Idaho Montana Nevada New Mexico

Utah Washington, D.C. Wyoming

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

September 1, 2022

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

 RE: Application for Nonstandard Location Engineering Statement
 WPX Energy Permian, LLC
 Clawhammer 33-28-21 Fed Com wells 412H, 413H, 414H, 415H, 422H, 423H, 424H, & 425H (the "Clawhammer Wells")
 S/2 of Section 21, All of Section 28, and All of Irregular Section 33 -26S-30E
 Eddy County, New Mexico

Dear Mr. Lowe:

WPX Energy Permian, LLC, a wholly owned subsidiary of Devon Energy Corporation, respectfully requests administrative approval of a nonstandard location for each of the Clawhammer Wells referenced above. The Clawhammer Wells are in the Purple Sage-Wolfcamp Gas Pool (Pool Code 98220). It is WPX'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,

Nikki Ferradas Reservoir Engineer

EXHIBIT A

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

X AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1 | API Number 30-015- | r | ² Pool Code ³ Pool Name 98220 PURPLE SAGE WOLFCAMP GAS | | | | | | PURPLE SAGE WOLFCAMP GAS POOL | | | | | | |
|--|---------------------------------|--------------------------|--|------------------------|-------------------------|--------------------------------------|---------------|----------------|-------------------------------|------------------------|--|--------|--|--|--|
| ⁴ Property 0 | Property Code | | | | ⁵ Property 1 | Name | | | 6 1 | Well Number | | | | | |
| | CLAWHAMMER 33-28-21 FEDERAL COM | | | | | CLAWHAMMER 33-28-21 FEDERAL COM 413H | | | | | | | | | |
| ⁷ OGRID | No. | | ⁸ Operator Name ⁹ Elevation | | | | | | | ⁹ Elevation | | | | | |
| 24628 | 9 | | | W | PX ENERGY PE | ERMIAN, LLC | | | | 2,971' | | | | | |
| ¹⁰ Surface Location | | | | | | | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | | East/West line | | County | | | |
| 2 | 33 | 26 S | 30 E | | 293 | SOUTH | 1,521 | EAST | | EAST | | EDDY | | | |
| - | | | ¹¹ Bo | ttom Hol | e Location If | f Different Fror | n Surface | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East | t/West line | County | | | | | |
| J | 21 | 26 S | 30 E | | 2,609 | SOUTH | 2,550 | EAS | ST EDDY | | | | | | |
| ¹² Dedicated Acres 1219.08 | 5 ¹³ Joint of | r Infill ¹⁴ C | onsolidation | Code ¹⁵ Ore | 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.

| 16 | (1) | Y=376,839.92 | | | | | ¹⁷ OPERATOR CERTIFICATION |
|---|--------|------------------------------|--------|---|---|---------|---|
| | U | X=677,187.08 | - | | I. | | I hereby certify that the information contained herein is true and complete |
| SHL (NAD83 NME) LTP (NAD83 NME) | \sim | Y=376,857.78 | 1 | 2 | | 3 | to the best of my knowledge and belief, and that this organization either |
| Y = 364,372.0 Y = 374,101.9 | 2 | X=679,855.13 | | | | | owns a working interest or unleased mineral interest in the land including |
| X = 681,074.4 X = 679,989.6 LAT. = 32.000938 °N LAT. = 32.027697 °N | | | | | | | , , , , , , , , , , , , , , , , , , , |
| LONG. = 103.882549 °W LONG. = 103.885919 °W | (3) | Y=376,875.81 | | | | | the proposed bottom hole location or has a right to drill this well at this |
| FTP (NAD83 NME) BHL (NAD83 NME) | 9 | X=682,519.12 | | + | + | | location pursuant to a contract with an owner of such a mineral or working |
| Y = 364,174.5 Y = 374,151.9 | | | | | | | interest, or to a voluntary pooling agreement or a compulsory pooling |
| X = 680,045.9 X = 679,989.2 LAT. = 32.000407 °N LAT. = 32.027834 °N | 4 | Y=374,184.25 X=677,214.12 | | 50 | 100 | | |
| LONG. = 103.885870 °W LONG. = 103.885919 °W | - | X=077,214.12 | | A | BHL E. | (5) | order heretofore entered by the division. |
| | | Y=374,218.08 | -4 | | $\frac{2}{2},\frac{2}{5},\frac{5}{5},\frac{1}{5}$ | | Jenny Harms 6-29-22 |
| CORNER COORDINATES (NAD83 NME) | (5) | X=682,538.78 | | | LTP | | A |
| A - Y = 374,201.2 N , X = 679,876.0 E | | | | - - - - - - - - - - - - - | 1 | | Bignature Date |
| B - Y = 371,542.6 N , X = 679,896.9 E C - Y = 368,884.4 N , X = 679,913.7 E | (6) | Y=371,526.64 | | + | + | | JENNY HARMS |
| D-Y= 366,226.2 N , X = 679,930.6 E | C | X=677,240.16 | | 20 | SEC. 21 | | , |
| E-Y= 364,074.0 N , X= 679,939.1 E | ~ | Y=371,542.56 | | | SEC. 21 | | Printed Name |
| F-Y= 374,209.6 N , X = 681,207.4 E | (7) | X=679.896.89 | 6 | | | 8 | |
| G - Y = 371,550.7 N , X = 681,227.5 E H - Y = 368,892.0 N , X = 681,243.4 E | | | | <u> </u> | G | _ | JENNY.HARMS@DVN.COM |
| I-Y= 366,233.3 N , X= 681,259.3 E | 0 | Y=371,558.90 | | \bigcirc | | | E-mail Address |
| J-Y= 364,080.2 N , X= 681,267.7 E | 8 | X=682,558.17 | | | GRID AZ.=359 | *40'20" | |
| | | | | | HORIZ. DIST.= | | |
| SHL (NAD27 NME) LTP (NAD27 NME) Y = 364,314.8 Y = 374,044.4 | 9 | Y=368,869.09 X=677,256.01 | | | | -, | ¹⁸ SURVEYOR CERTIFICATION |
| X = 639,888.1 $X = 638,803.6$ | 0 | x=077,230.01 | | SEC. 28 | | | I hereby certify that the well location shown on this |
| LAT. = 32.000812 °N LAT. = 32.027571 °N | | Y=368,899.65 | | T26S R30E | | | |
| LONG. = 103.882072 °W LONG. = 103.885440 °W | (10) | X=682,573.11 | -(9) | $ C_+$ | H | -(10) - | plat was plotted from field notes of actual surveys |
| FTP (NAD27 NME) BHL (NAD27 NME) | | | \sim | | LOT ACREAGE | | made by me or under my supervision, and that the |
| Y = 364,117.3 Y = 374,094.4 X = 638,859.7 X = 638,803.3 | (11) | Y=366,211.95 | | | LUI ACREAGE | | nade of the of under my supervision, and that the |
| LAT. = 32.000281 °N LAT. = 32.027709 °N | 0 | X=677,272.50 | | | | 4 ACRES | same is true and correct to the best of my belief. |
| LONG. = 103.885392 °W LONG. = 103.885440 °W | _ | Y=366,226.18 | | + | LOT 3 - 24.7 | 6 ACRES | |
| | (12) | X=679,930.61 | | | LOT 2 - 24.7 | | 06-27-2022 |
| CORNER COORDINATES (NAD27 NME) A - Y = 374,143.7 N , X = 638,690.1 E | | | | | | | Date of Survey |
| B-Y= 371,485.1 N , X= 638,710.9 E | (13) | Y=366,240.40 | | D | | 13 | R CH MEXIC P |
| C-Y= 368,827.0 N , X= 638,727.7 E | U | X=682,588.05 | | 12 | | | Signatue and Seal of |
| D-Y= 366,168.9 N , X= 638,744.5 E | | | | AZ.=259'07'46" | SEC. 33 | | Professional Surveyor: |
| E - Y = 364,016.8 N , X = 638,752.9 E F - Y = 374,152.1 N , X = 640.021.4 E | (14) | Y=364,061.94 X=677,281.65 | HOR | Z. DIST.=1,047.29' | \ | | (((23786))) |
| G-Y = 371,493.3 N, $X = 640,021.4 E$ | 0 | x=077,201.03 | | LOT 4 LOT FTR | LOT SHLLO | T 1 - | |
| H-Y= 368,834.7 N , X= 640,057.3 E | | Y=364,074.03 | | | 2 1,521 | | 3 |
| I-Y= 366,176.0 N , X= 640,073.2 E | (15) | X=679,939.10 | | | | | |
| J-Y= 364,022.9 N , X = 640,081.4 E | | | 14 | TEXAS 15.4 | , 40 , 1 | 16 | SS COULD CUR |
| | (16) | Y=364,086.66 | | | 293 | | MARK DILLON HARP 23786 |
| | 9 | X=682,596.21 | | | 7 | | Certificate Number MBK/DB 2022020349 |
| ۱ | | | | | | | ·/ |

EXHIBIT B - DEFINING WELL Released to Imaging: 10/24/2022 10:47:10 AM

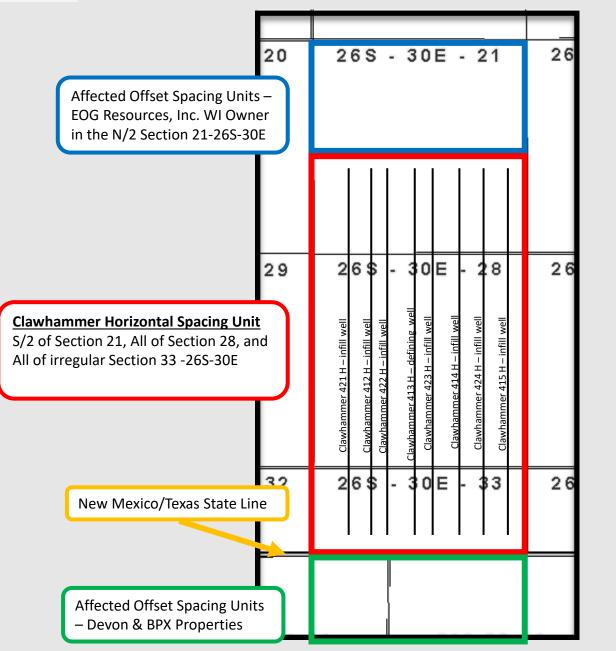


EXHIBIT C

•

| Company Name | Address | City | State | Zip | |
|------------------------|-------------------------------|---------|-------|-------|-------------------|
| EOG Resources Inc. | 5509 Champions Dr | Midland | ТХ | 79706 | |
| BPX Properties (NA) LP | 1700 Platte Street, Suite 150 | Denver | CO | 80202 | Attn: Kevin Woods |

EXHIBIT D

Released to Imaging: 10/24/2022 10:47:10 AM



Paula M. Vance Associate Phone (505) 954-7286 PMVance@hollandhart.com

September 20, 2022

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

Re: WPX Energy Permian, LLC Request for Administrative Approval of Unorthodox Well Location

Clawhammer Fed Com #412H, #413H, #414H, #415H, #421H, #422H, #423H and #424H All of irregular Section 33, all of Section 28, and the S/2 of Section 21, T26S, R30E Eddy County, New Mexico Purple Sage Wolfcamp Gas pool [98220] API Nos. 30-015-49831, 30-015-49832, 30-015-49839, 30-015-49847, 30-015-49845, 30-015-49844, 30-015-49843, 30-015-49842

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Ryan Cloer WPX Energy Permian, LLC (405) 228-2448 Ryan.Cloer@dvn.com

Sincerely,

Paula M. Vance ATTORNEY FOR WPX ENERGY PERMIAN, LLC

T 505.988.4421 F 505.983.6043 110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849 Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208 www.hollandhart.com

Alaska Montana Colorado Nevada Idaho New Mexico

ana Utah da Washington, D.C. Mexico Wyoming

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| this form online, must match the labeled packages being presented to the USPS [®] employee with this form. | Name: HOLLAND & HART LLP (1) |
| WPX_Clawhammer NSL | Address: 110 N GUADALUPE ST # 1 |
| | City: SANTA FE |
| | State: <u>NM</u> ZIP+4 [®] 87501 |

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| Total | 2 |

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

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 Confirm the volume count message by selecting Yes or No
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PS Form 5630, September 2016 PSN 7530-08-000-4335

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| Name and Address of Se HOLLAND & HART LLF 110 N GUADALUPE S ⁻ SANTA FE NM 87501 | P (1) T # 1 | Check type of mail or service Adult Signature Required Priority Mail Express Adult Signature Restricted Delivery Registered Mail Certified Mail Return Receipt for Merchandise Collect on Delivery (COD) Signature Confirmation Insured Mail Signature Confirmation | (for Po s | | al copies o | f this receipt). f Receipt. | | | | | | | | | |
| USPS Tracking/Ar | ticle Number | □ Priority Mail Restricted Delivery Addressee (Name, Street, City, State, & ZIP Code™) | Postage | (Extra Service) Fee | Handling Charge | Actual Value if Registered | Insured Value | Due Sender if COD | ASR Fee | ASRD Fee | RD Fee | RR Fee | SC Fee | SCRD Fee | SH Fee |
| 1. 9214 8901 9403 8390 314 | 40 93 | EOG Resources Inc 5509 Champions Dr Midland TX 79706 | 0.57 | 4.00 | lue | | | | | | | 2.00 | | | |
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PS Form **3877**, January 2017 (Page 1 of 1) Released to 9maging: 10/24/2022 40:47:10 AM

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

| Operator: | OGRID: |
|---------------------------|--------------------------------------|
| WPX Energy Permian, LLC | 246289 |
| Devon Energy - Regulatory | Action Number: |
| Oklahoma City, OK 73102 | 147586 |
| | Action Type: |
| | [UF-NSL] Non-Standard Location (NSL) |

CONDITIONS

| Created By | Condition | Condition Date |
|---------------|---|-------------------|
| llowe | NSL - 8444 is approved. The approved Order can be retrieved at the following OCD website link. https://ocdimage.emnrd.nm.gov/imaging/AEOrderCriteria.aspx | 10/3/2022 |

Page 12 of 12