State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

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Ms. Paula M. Vance pmvance@hollandhart.com

NON-STANDARD LOCATION

Administrative Order NSL - 8559

Devon Energy Production Company, L.P. [OGRID 6137] Ragin Cajun 12 13 Federal Com Well No. 7H API No. 30-025-47552

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	547 FNL & 1998 FWL	C	12	26S	34E	Lea
First Take Point	100 FNL & 2590 FWL	\mathbf{C}	12	25S	34E	Lea
Last Take Point	100 FSL & 2590 FWL	N	13	25S	34E	Lea
Terminus	20 FSL & 2590 FWL	N	13	25S	34E	Lea

Proposed Horizontal Units

Description	Acres	Pool	Pool Code	
W/2 of Section 12	640	Wildcat; Bone Spring	96672	
W/2 of Section 13				

Reference is made to your application received on March 31st, 2023.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent.

This well's completed interval is as close as 50 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tract(s).

Section 12, encroachment to the E/2 Section 13, encroachment to the E/2

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

Administrative Order NSL - 8559 Devon Energy Production Company, L.P. Page 2 of 2

Division understands you are seeking this unorthodox location due to the current spacing plan for horizontal wells within the Bone Spring formation. Thereby preventing waste within the formation underlying the W/2 of Section 12 and the W/2 Section 13.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, Division approves this unorthodox location.

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.

Date: 4/30/2023

DYLANM. FUGE DIRECTOR (ACTING)

DMF/lrl

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

CONDITIONS

Action 212883

CONDITIONS

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	212883
	Action Type:
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By		Condition Date
llowe	None	5/2/2023