

Revised March 23, 2017

ID NO. 272610

NSL - 8663

RECEIVED: 10/04/23	REVIEWER:	TYPE:	APP NO: pLEL2328632478
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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, L.P. **OGRID Number:** 6137
Well Name: Cotton Draw Unit 626H Well **API:** 30-015-52176
Pool: Purple Sage; Wolfcamp (Gas) **Pool Code:** 98220

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 holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☒ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐ Notice Complete☐ 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.

September 22, 2023

Date

Darin Savage

Print or Type Name

970-385-4401

Phone Number

darin@abadieschill.com

/s/ Darin Savage

Signature

e-mail Address

SUBMITTED TO THE OIL CONSERVATION DIVISION:

Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its **Cotton Draw Unit 626H Well** in the Wolfcamp formation underlying Sections 26 and 35, Township 24 South, Range 31 East, and Section 2, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.

TABLE OF CONTENTS

Administrative Checklist for NSL

- Exhibit A: C-102 Form, specifically identifying the NSL (19.15.15.13C)
- Exhibit B: A statement discussing the reasons for the unorthodox location (19.15.15.13C)
- Exhibit C: Tract map outlining the unit location of the unorthodox well with affected area tracts identified (19.15.15.13C)
- Exhibit D: A list of affected persons and parties, with addresses, entitled to notice of the application, along with a copy of the notice letter sent to affected persons and parties (19.15.15.13C)

Devon Energy Production Company, L.P.



For the Pursuit of Energy

ABADIE | SCHILL PC

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

October 4, 2023

Dylan M. Fuge, 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 Technical Examiner

Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Cotton Draw Unit 626H Well located in Sections 26 and 35, Township 24 South, Range 31 East, NMPM, Eddy County, New Mexico, and Section 2, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.

Dear Director Fuge:

Devon Energy Production Company, L.P., (“Devon”), OGRID No. 6137, is seeking administrative approval of an unorthodox well location (“NSL”) for the Cotton Draw Unit 626H Well (the “626H Well”) (API 30-015-53176) to be completed within the Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220) underlying Sections 26 and 35, Township 24 South, Range 31 East, NMPM, Eddy County, New Mexico, and Section 2, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico. A C-102 for the Well is attached as Exhibit A. This is a horizontal well that will be drilled as follows:

- Surface Location (SL): 200’ from the North line and 135’ from the West line of Section 25, Township 24 South, Range 31 East;
- Bottom Hole Location (BHL): 20’ from the South line and 825’ from the East line of Section 2, Township 25 South, Range 31 East;
- First Take Point (FTP): 100’ from the North line and 825’ from the East line of Section 26, Township 24 South, Range 31 East;
- Last Take Point (LTP): 100’ from the South line and 825’ from the East line of Section 2, Township 25 South, Range 31 East.

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

Devon has included as Exhibit B 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' foot setback requirements ("Special Rules"). The completed interval for the proposed well is closer than 330' from the boundary of the spacing unit.

The unorthodox location will encroach towards the S/2 of Section 23, Township 24 South, Range 31 East, NMPM, Eddy County, New Mexico, which is governed by the Special Rules. The last take point (LTP) is within an approved federal unitization plan (the Cotton Draw Unit) and does not encroach upon the outer boundary of the Cotton Draw Unit; therefore, setback requirements do not apply to the LTP pursuant to Rule 19.15.16.15C(7) (Unitized Areas).

Devon attests that, on or before submission of this application, it provided notice to the affected persons in the adjoining S/2 of Section 23, Township 24 South, Range 31 East, NMPM, Eddy County, New Mexico. Said notice as described satisfies all provisions of NMAC 19.15.4.12A(2); 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 offsetting area. Devon provides herein a sectional map of this area, attached as Exhibit C. Proof of mailing, along with a copy of the notice letter sent to listed affected persons and parties, is attached hereto as Exhibit D. There is no compulsory pooling case associated with this application.

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

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 Road, 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, NM 87505

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-53176	² Pool Code 98220	³ Pool Name PURPLE SAGE; WOLFCAMP (GAS)
⁴ Property Code	⁵ Property Name COTTON DRAW UNIT	⁶ Well Number 626H
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁹ Elevation 3548.0

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	25	24 S	31 E		200	NORTH	135	WEST	EDDY

¹¹ 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
P	2	25 S	31 E		20	SOUTH	825	EAST	EDDY

¹² Dedicated Acres 1,913.48	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

	<p>COTTON DRAW UNIT 626H EL. = 3548.0</p> <p>GEODETTIC COORDINATES NAD 83 NMSP EAST SURFACE LOCATION N. = 435200.87 E. = 724995.56 LAT. = 32.1950507°N LONG. = 103.7396095°W</p> <p>KICK OFF POINT CALLS _____ N. = _____ E. = _____ LAT. = _____ LONG. = _____</p> <p>FIRST TAKE POINT (PPP 1) 100' FNL, 825' FEL N. = 435295.28 E. = 724035.20 LAT. = 32.1953248°N LONG. = 103.7427123°W</p> <p>LAST TAKE POINT 100' FSL, 825' FEL N. = 419673.16 E. = 724103.78 LAT. = 32.1523820°N LONG. = 103.7427677°W</p> <p>BOTTOM OF HOLE 20' FSL, 825' FEL N. = 419593.18 E. = 724104.17 LAT. = 32.1521621°N LONG. = 103.7427679°W</p> <p>PPP 2 2642' FNL, 829' FEL N. = 427472.90 E. = 724069.54 LAT. = 32.1738223°N LONG. = 103.7427401°W</p> <p>PPP 3 0' FSL, 825' FEL N. = 424872.40 E. = 724080.96 LAT. = 32.1666739°N LONG. = 103.7427493°W</p> <p>CORNER COORDINATES TABLE NAD 83 NMSP EAST</p> <table border="1"> <tr><td>A</td><td>N. = 435400.01</td><td>E. = 724859.42</td></tr> <tr><td>B</td><td>N. = 435384.79</td><td>E. = 722216.85</td></tr> <tr><td>C</td><td>N. = 430102.29</td><td>E. = 722249.33</td></tr> <tr><td>D</td><td>N. = 424873.17</td><td>E. = 722262.79</td></tr> <tr><td>E</td><td>N. = 419578.11</td><td>E. = 722271.47</td></tr> <tr><td>F</td><td>N. = 419570.97</td><td>E. = 724929.11</td></tr> <tr><td>G</td><td>N. = 422205.54</td><td>E. = 724916.21</td></tr> <tr><td>H</td><td>N. = 424872.06</td><td>E. = 724905.29</td></tr> <tr><td>I</td><td>N. = 427478.46</td><td>E. = 724898.60</td></tr> <tr><td>J</td><td>N. = 430119.23</td><td>E. = 724890.89</td></tr> <tr><td>K</td><td>N. = 432760.11</td><td>E. = 724874.69</td></tr> <tr><td>L</td><td>N. = 430135.17</td><td>E. = 727531.50</td></tr> <tr><td>M</td><td>N. = 435415.99</td><td>E. = 727498.75</td></tr> </table> <p>LEGEND - - - - - SECTION LINE _____ QUARTER LINE LEASE LINE - - - - - WELL PATH</p>	A	N. = 435400.01	E. = 724859.42	B	N. = 435384.79	E. = 722216.85	C	N. = 430102.29	E. = 722249.33	D	N. = 424873.17	E. = 722262.79	E	N. = 419578.11	E. = 722271.47	F	N. = 419570.97	E. = 724929.11	G	N. = 422205.54	E. = 724916.21	H	N. = 424872.06	E. = 724905.29	I	N. = 427478.46	E. = 724898.60	J	N. = 430119.23	E. = 724890.89	K	N. = 432760.11	E. = 724874.69	L	N. = 430135.17	E. = 727531.50	M	N. = 435415.99	E. = 727498.75	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>
	A	N. = 435400.01	E. = 724859.42																																						
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M	N. = 435415.99	E. = 727498.75																																							
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>AUGUST 3, 2023</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: </p> <p>Certificate Number: 12797 Survey No. 8568B</p>																																								

EXHIBIT
A

Intent ☐ As Drilled ☐

API #		
Operator Name: DEVON ENERGY PRODUCTION COMPANY, L.P.	Property Name: COTTON DRAW UNIT	Well Number 626H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL A	Section 26	Township 24S	Range 31E	Lot	Feet 100	From N/S NORTH	Feet 825	From E/W EAST	County EDDY
Latitude 32.1953248					Longitude 103.7427123				NAD 83

Last Take Point (LTP)

UL P	Section 2	Township 25S	Range 31E	Lot	Feet 100	From N/S SOUTH	Feet 825	From E/W EAST	County EDDY
Latitude 32.1523820					Longitude 103.7427677				NAD 83

Is this well the defining well for the Horizontal Spacing Unit? ☐Is this well an infill well? ☐

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018



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

September 21, 2023

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.
Cotton Draw Unit 607H, 608H, 609H, 610H, 611H, 612H, 613H, 614H, & 626H (the "Wells")
All of Section 26 & 35-24S-31E
All of Section 2-25S-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 Wells referenced above. The 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,

A handwritten signature in black ink, appearing to read "John Dwyer". The signature is fluid and cursive, with the first name "John" being more prominent.

John Dwyer
Reservoir Engineer

EXHIBIT
B

Offset Operator Plat

Cotton Draw Unit 607H, 608H, 609H, 610H, 611H, 612H, 613H, 614H, 626H

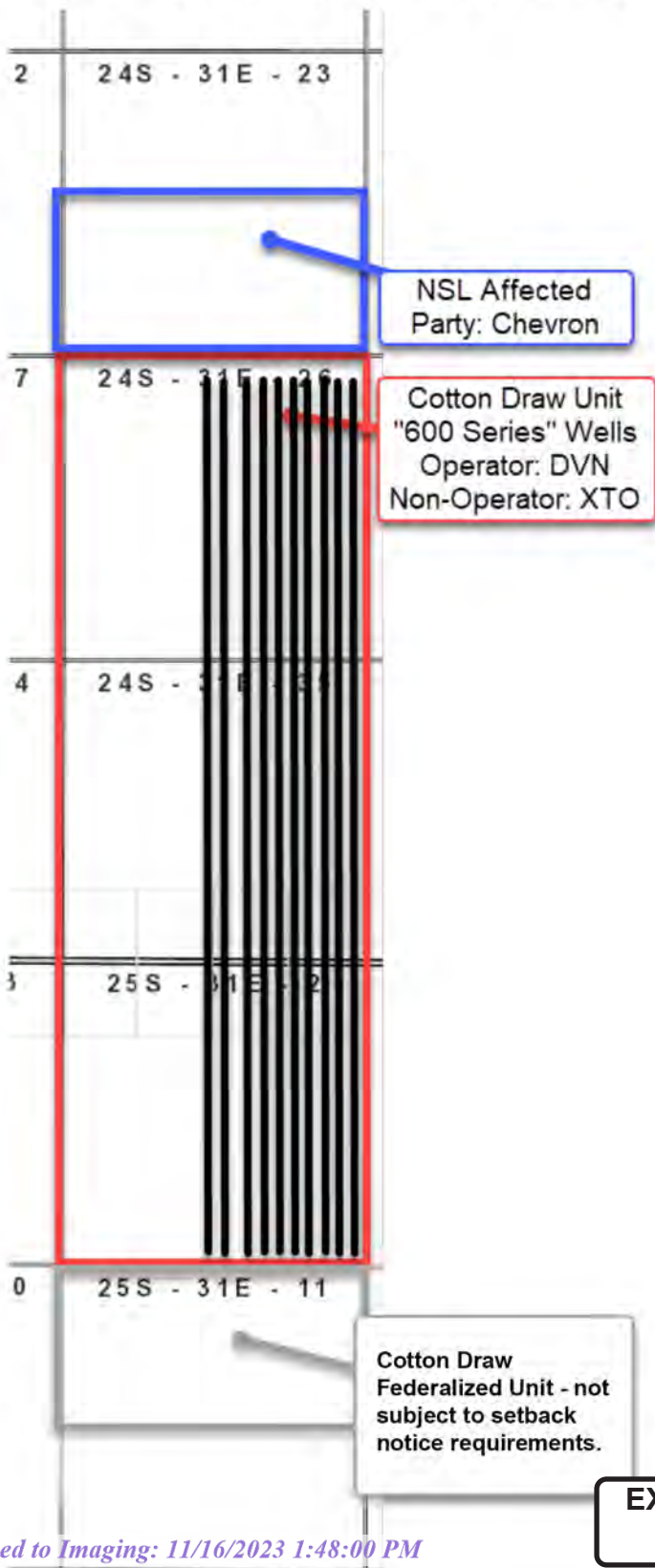


EXHIBIT
C

ReferenceNumber	Name1	Name2	Address1	Address2	Address3	City	State	Zip	ReturnReceiptType
4188.55	Chevron U.S.A. Inc.	Attn: Diane Whitcomb	1400 Smith Street			Houston	TX		77002 RRE
4188.55	Bureau of Land Management		620 E. Greene Street			Carlsbad	NM		88220 RRE





For the Pursuit of Energy

ABADIE | SCHILL PC

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

October 4, 2023

**VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

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

Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Cotton Draw Unit 626H Well located in the Wolfcamp formation underlying Sections 26 and 35, Township 24 South, Range 31 East, and Section 2, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.

To the Parties/Persons this may concern:

Enclosed in this notice are copies 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 an unorthodox 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:

Ryan Cloer
Landman
Devon Energy Production Company, L.P.
(405) 228-2448
ryan.cloer@devon.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 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,

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

Darin C. Savage

Attorney for Devon Energy
Production Company, L.P.

Waiver

_____ hereby waives objection to the above referenced Application for an Unorthodox Location for the Cotton Draw Unit 626H Well located in Sections 26 and 35, Township 24 South, Range 31 East, and Section 2, Township 25 South, Range 31 East, NMPM, Eddy 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 272610

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 272610
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	10/13/2023