State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Dylan M. Fuge Deputy Secretary **Dylan Fuge**, Division Director (Acting) Oil Conservation Division



Mr. Darin Savage darin@abadieschill.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 8711

Devon Energy Production Company, L.P. [OGRID 6137] Prairie Fire 27 25 Federal Com Well No. 722H API No. 30-015-PENDING

Reference is made to your application received on January 26th, 2024.

Proposed Location

-	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	208 FNL & 710 FWL	D	27	20S	29E	Eddy
First Take Point	1980 FNL & 2540 FEL	В	27	20S	29E	Eddy
Last Take Point	1980 FNL & 100 FEL	А	25	20S	29E	Eddy
Terminus	1980 FNL & 20 FEL	А	25	20S	29E	Eddy

Proposed Horizontal Spacing Units (HSU)

Description	Acres	Pool	Pool Code
S/2 NE/4 Section 27	400	Burton Flat; Wolfcamp, East	73480
S/2 N/2 Section 26			
S/2 N/2 Section 25			

You have requested to drill this horizontal well at an unorthodox well location described above in the referenced pool or formation. 19.15.16.15(B)(3)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal **gas** 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 section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 660 feet for a **gas** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal well shall be no closer than 330 feet for a **gas** in the horizontal plane, to any outer boundary of the horizontal plane, to any outer boundary of the horizontal plane, to any outer boundary of the horizontal plane.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of First and Last Take Points referenced above within the described Horizontal

Administrative Order NSL - 8711 Devon Energy Production Company, L.P. Page 2 of 2

Spacing Unit. The intended spacing unit comprises of two overlapping pool/formations of different setbacks and acreage allowance, the NSL pertains to the gas setback deviation only.

This well's completed interval is as close as 100 feet to the western and eastern edge of the horizontal spacing unit.

Section 27, encroachment to the NW/4 Section 30, T20S, R30E, encroachment to the NW/4

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.

Division understands you are seeking this unorthodox location in order to maximize production and to minimize reserves left in the ground. Therefore, preventing waste within the Burton Flat; Wolfcamp, East (Gas) formation underlying the S/2 NE/4 Section 27, S/2 N/2 of Section 26, and the S/2 N/2 of Section 25.

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.

DYLAN M. FUGE Division Director (Acting)

Date: 2/28/24

DMF/lrl

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:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	318741
	Action Type:
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By		Condition Date
llowe	None	2/28/2024

Page 3 of 3