

Revised March 23, 2017

ID NO. 308485

NSL - 8711

| | | | |
|--------------------|-----------|-------|------------------------|
| RECEIVED: 01/26/24 | REVIEWER: | TYPE: | APP NO: pLEL2402955820 |
|--------------------|-----------|-------|------------------------|

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: Prairie Fire 27-25 Fed Com 722H Well **API:** 30-015-Pending
Pool: WC 20S29E23:WOLFCAMP / Burton Flat; Wolfcamp, East **Pool Code:** 98357 / 73480

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.

January 25, 2023

Date

Darin Savage

Print or Type Name

970-385-4401

Phone Number

darin@abadieschill.com

e-mail Address

/s/ Darin Savage

Signature

SUBMITTED TO THE OIL CONSERVATION DIVISION:

Application of Devon Energy Production Company, L.P., for administrative approval of an unorthodox well location for its **Prairie Fire 27-25 Fed Com 722H Well** located in the Wolfcamp formation underlying the S/2 NE/4 of Section 27, and the S/2 N/2 of Sections 26 and 25, in Township 20 South, Range 29 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

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

January 26, 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 Prairie Fire 27-25 Fed Com 722H Well, in the Wolfcamp formation underlying the S/2 NE/4 of Section 27, and the S/2 N/2 of Sections 26 and 25, in Township 20 South, Range 29 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 Prairie Fire 27-25 Fed Com 722H Well (the “722H Well”) (API 30-015-Pending). This Well was originally pooled in Case 23550, Order No. Pooling Order No. R-22764, in which the OCD assigned the WC 20S29E23:WOLFCAMP (Oil) Pool (Pool Code 98357) to the unit underlying the S/2 NE/4 of Section 27, and the S/2 N/2 of Sections 26 and 25, in Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico (“Spacing Unit”). The OCD later found that this Wolfcamp oil pool overlaps in the S/2 NE/4 of Section 27 with an existing pool, the Burton Flat; Wolfcamp, East (Gas) (Pool Code 73480), which is a gas pool. Pursuant to the guidance of the Division, Devon seeks to reconcile the gas pool requirements through approval of a non-standard location for the 722H Well.

A C-102 for the Well is attached as Exhibit A. This is a horizontal well that will be drilled as follows:

Prairie Fire 27-25 Fed Com 722H Well:

- Surface Location (SL): 208’ from the North line and 710’ from the West line of Section 27, Township 20 South, Range 29 East;
- Bottom Hole Location (BHL): 1980’ from the North line and 20’ from the East line of Section 25, Township 20 South, Range 29 East;

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

- First Take Point (FTP): 1980' from the North line and 2540' from the East line of Section 27, Township 20 South, Range 29 East;
- Last Take Point (LTP): 1980' from the North line and 100' from the East line of Section 25, Township 20 South, Range 29 East.

Devon has included as Exhibit B, a letter explaining why this application is needed. Although the gas pool only overlaps the N/2 NE/4 of Section 27, as a precaution, Devon has provided notice to all parties in tracts or units toward which the well encroaches pursuant to 19.15.16.15B(5)(b)(ii) as if the rules for a gas well apply. Thus, Devon respectfully requests administrative approval of a non-standard location for the Prairie Fire Well referenced above by decreasing the distance at the end points from 330 to 100 feet from the east and west horizontal plane boundaries.

The unorthodox location will encroach, at the end points, towards the NW/4 of Section 27, in 20S-29E, and the NW/4 of Section 30, in 20S-30E.

Devon attests that, on or before submission of this application, it provided notice to the parties affected by the non-standard location; 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 BLM leases are involved with the offsetting areas. 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. The development plan for this well is pursuant to a pooling application in Case No. 23550.

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
16700 S. First St., Artesia, NM 88210
Phone: (505) 393-6161 Fax: (505) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (505) 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

Submit one copy to
appropriate District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | |
|--|---------------|---|---------------|----------------------------------|-----------------------|-----------------------------------|----------------------|------------------------|----------------|
| ¹ API Number | | ² Pool Code | | ³ Pool Name | | | | | |
| ⁴ Property Code | | ⁵ Property Name PRAIRIE FIRE 27-25 FED COM | | | | ⁶ Well Number 722H | | | |
| ⁷ OGRID No. 6137 | | ⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P. | | | | ⁹ Elevation 3274.80 | | | |
| ¹⁰ Surface Location | | | | | | | | | |
| UL or lot no. D | Section 27 | Township 20-S | Range 29-E | Lot Idn N/A | Feet from the 208 | North/South line NORTH | Feet from the 710 | East/West line WEST | County EDDY |
| ¹¹ Bottom Hole Location If Different From Surface | | | | | | | | | |
| UL or lot no. H | Section 25 | Township 20-S | Range 29-E | Lot Idn N/A | Feet from the 1980 | North/South line NORTH | Feet from the 20 | East/West line EAST | County EDDY |
| ¹² Dedicated Acres 400 | | ¹³ Joint or Infill | | ¹⁴ Consolidation Code | | ¹⁵ 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.

**PRAIRIE FIRE 27-25
FED COM 722H
SHL**
208' FNL - 710' FWL
EL: 3274.8'
N: 564328.70
E: 622735.28
LAT: 32.5511189°
LON: -104.0691577°

KOP
F L - F L
N: _____
E: _____
LAT: _____
LON: _____

FTP (PPP 1)
1980' FNL - 2540' FEL
N: 562560.46
E: 624775.39
LAT: 32.5462444°
LON: -104.0625513°

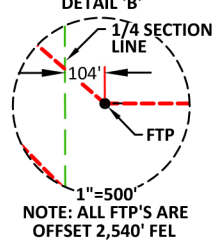
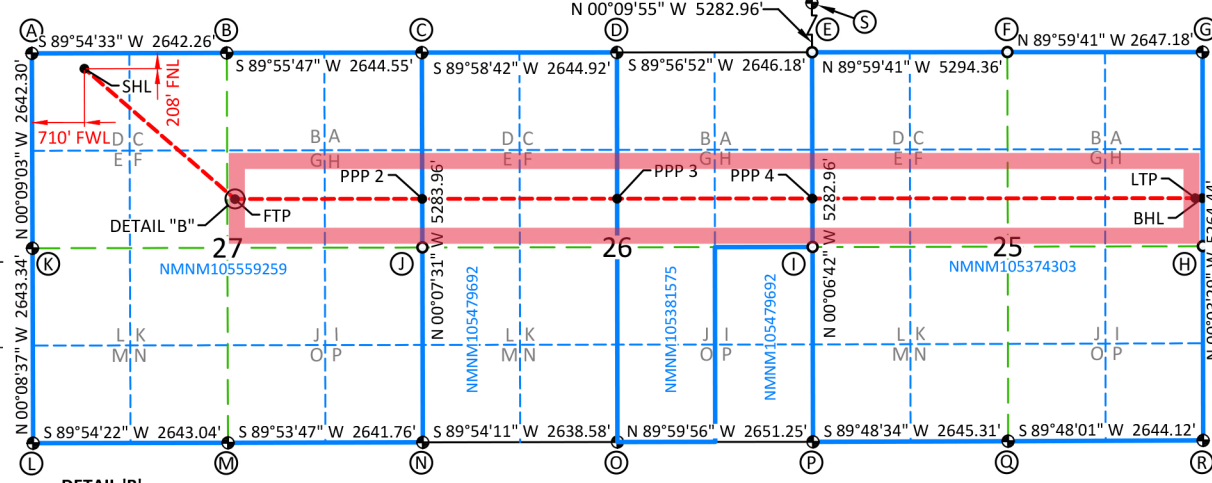
PPP 2
1980' FNL - 0' FEL
N: 562561.63
E: 627314.79
LAT: 32.5462296°
LON: -104.0543102°

PPP 3
1980' FNL - 2646' FEL
N: 562562.86
E: 629956.70
LAT: 32.5462136°
LON: -104.0457364°

PPP 4
1980' FNL - 0' FEL
N: 562564.09
E: 632604.16
LAT: 32.5461971°
LON: -104.0371447°

LTP
1980' FNL - 100' FEL
N: 562566.49
E: 637795.42
LAT: 32.5461629°
LON: -104.0202976°

BHL
1980' FNL - 20' FEL
N: 562566.49
E: 637795.40
LAT: 32.5461629°
LON: -104.0200381°



**SECTION CORNER
COORDINATE TABLE**

| | | |
|---|--------------|--------------|
| A | N: 564535.52 | E: 622024.91 |
| B | N: 564539.71 | E: 624666.53 |
| C | N: 564542.95 | E: 627310.45 |
| D | N: 564543.95 | E: 629954.74 |
| E | N: 564546.37 | E: 632600.30 |
| F | N: 564546.12 | E: 635246.85 |
| G | N: 564545.87 | E: 637893.40 |
| H | N: 561914.28 | E: 637896.06 |
| I | N: 561905.52 | E: 632605.44 |
| J | N: 561901.60 | E: 627316.23 |
| K | N: 561893.86 | E: 622031.85 |
| L | N: 559251.15 | E: 622038.48 |
| M | N: 559255.49 | E: 624680.89 |
| N | N: 559260.26 | E: 627322.02 |
| O | N: 559264.72 | E: 629959.96 |
| P | N: 559264.68 | E: 632610.58 |
| Q | N: 559273.49 | E: 635255.24 |
| R | N: 559273.49 | E: 635255.24 |
| S | N: 569828.04 | E: 632585.06 |

LEGEND

- SECTION LINE
- 1/4 SEC. LINE
- 1/4 SEC. LINE
- WELL PATH
- LEASE LINE
- LEASE ID NUMBER
- FOUND USGLO B.C. ON 1" PIPE, "1916"
- CALCULATED POINT

17 OPERATOR CERTIFICATION

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.

Signature: Chelsey Green Date: 05/23/23

Printed Name: Chelsey Green

E-mail Address: chelsey.green@dvn.com

18 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.

Date of Survey: 05/11/2023

Signature and Seal of Professional Surveyor:

ALBERT R. DEHOYOS
NEW MEXICO
23261
PROFESSIONAL SURVEYOR

NOTES:

1. BASIS OF BEARINGS, COORDINATES AND DISTANCES ARE A LAMBERT CONICAL PROJECTION OF THE NEW MEXICO COORDINATE SYSTEM, STATE PLANE GRID, NAD 83, NEW MEXICO EAST (3001) WITH A CONVERGENCE ANGLE OF -0°09'37.47" AND A COMBINED SCALE FACTOR OF 1.000237768 BASED ON CONTROL POINT CP FTZ BOOSTER AT N: 565917.441 E: 633268.606.

2. SURFACE ELEVATIONS SHOWN ARE REPORTED AS GROUND DISTANCES IN U.S. FEET USING A COMBINED SCALE FACTOR OF 1.000237768.

3. ELEVATIONS SHOWN ARE EXISTING GROUND UNLESS OTHERWISE NOTED.

Certificate No. 23261 Albert R. Dehoyos

Drawn by: JMA Checked by: ARD Date: 05/18/23

**EXHIBIT
A**

Intent ☒ As Drilled ☐

| | | |
|---|--|---------------------|
| API # | | |
| Operator Name: DEVON ENERGY PRODUCTION COMPANY, L.P. | Property Name: PRAIRIE FIRE 27-25 FED COM | Well Number 722H |

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 | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
| G | 27 | 20-S | 29-E | N/A | 1980 | NORTH | 2540 | EAST | EDDY |
| Latitude 32.5462444° | | | | | Longitude -104.0625513° | | | | NAD 83 |

Last Take Point (LTP)

| | | | | | | | | | |
|-------------------------|---------|----------|-------|-----|----------------------------|----------|------|----------|-----------|
| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
| H | 25 | 20-S | 29-E | N/A | 1980 | NORTH | 100 | EAST | EDDY |
| Latitude 32.5461629° | | | | | Longitude -104.0202976° | | | | NAD 83 |

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

If infill is yes 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 LP
333 West Sheridan Avenue
Oklahoma City, OK 73102

405 552 8002 Phone
www.devonenergy.com

January 25, 2024


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

RE: Application for Non-Standard Location – Engineering Statement
Devon Energy Production Company, L.P.
S/2 NE/4 of Section 27, and the S/2 N/2 of Sections 26
And 25, Township 20 South, Range 29 East, NMPM (“Unit”)
Prairie Fire 27-25 Fed Com 722H Well (“Prairie Fire Well”)
Eddy County, New Mexico

Dear Mr. Lowe,

Devon Energy Production Company, L.P. (“Devon”) respectfully requests administrative approval of a non-standard location for the Prairie Fire Well referenced above by decreasing the distance of the lateral from 330 feet to 100 feet from the end-point boundary. Devon pooled the above referenced Unit in Case No. 23550 and received Pooling Order No. R-22764. The pool assigned to the Unit was the WC 20S29E23; Wolfcamp (Pool Code 98357), designated as an oil pool. During the permitting process, it was discovered that this Wolfcamp pool overlaps in the S/2 NE/4 of Section 27 with an existing pool, the Burton Flat; Wolfcamp, East (Gas) (Pool Code 73480), which is a gas pool. It is Devon’s responsibility as a prudent operator to locate the lateral for maximum production and to minimize reserves left in the ground. Based on Devon’s anticipated offset operations and overall spacing and staggering development plan within Sections 25, 26, and 27, the proposed location for the 722H is the ideal location. Devon wishes to address this inadvertent overlap and discrepancy between the gas and oil pools in a manner that the Division deems necessary and account for notice to offset operators in order to protect correlative rights. The Division has informed us that applying for approval of this a non-standard location to account for the gas pool is the best way to proceed. By addressing this matter in a timely manner, Devon will be able to meet its drilling obligations and maximize production from the Unit. Devon has notified the offset owners of the tracts upon which the well encroaches, and Devon respectfully submits that it has located the lateral in a manner that will increase ultimate recovery of reserves and thereby prevent waste of natural resources.

Sincerely,



Kevin Barnes
Reservoir Engineer

EXHIBIT
B



| | | | | | | | | | |
|-----------------|---------------------------|-------|----------------------|----------|----------|----------|-------|------------|-------------------|
| ReferenceNumber | Name1 | Name2 | Address1 | Address2 | Address3 | City | State | Zip | ReturnReceiptType |
| 4188.48 | Bureau of Land Management | | 620 E. Greene Street | | | Carlsbad | NM | 88220-6292 | RRE |





For the Pursuit of Energy

ABADIE | SCHILL PC

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

January 26, 2024

**VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

**NOTICE TO AFFECTED PERSONS/PARTIES
RE: APPLICATION FOR ADMINISTRATIVE APPROVAL OF A NONSTANDARD
WELL LOCATION**

Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Prairie Fire 27-25 Fed Com 722H Well, in the Wolfcamp formation underlying the S/2 NE/4 of Section 27, and the S/2 N/2 of Sections 26 and 25, in Township 20 South, Range 29 East, NMPM, Eddy 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 an unorthodox well location. 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@emnrd.nm.gov.

If you have any questions concerning this application, please contact:

Andy Bennett, Advising Landman
Devon Energy Production Company, L.P.
(405) 552-8002
Andy.Bennett@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', 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 its Prairie Fire 27-25 Fed Com 722H Well in the Wolfcamp formation underlying the S/2 NE/4 of Section 27, and the S/2 N/2 of Sections 26 and 25, in Township 20 South, Range 29 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 308485

CONDITIONS

| | |
|---|--|
| Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102 | OGRID: 6137 |
| | Action Number: 308485 |
| | Action Type: [UF-NSL] Non-Standard Location (NSL) |

CONDITIONS

| | | |
|------------|-----------|----------------|
| Created By | Condition | Condition Date |
| Ilowe | None | 1/26/2024 |