State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

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



Mr. Darin Savage darin@abidieschill.com

Administrative Order NSP – 2190

ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

Devon Energy Production Company, L.P. [OGRID 6137]

Burton Flat 3 1 Federal State Com Well No. 335H [API No. 30-015-54707]

Burton Flat 3 1 Federal State Com Well No. 337H [API No. 30-015-54701]

Burton Flat 3 1 Federal State Com Well No. 339H [API No. 30-015-PENDING]

S/2 irregular Section 03, S/2 irregular Section 02, and S/2 irregular Section 01, T21S R27E, Eddy County

Reference is made to your application received on February 21st, 2024.

You have requested approval of a non-standard horizontal spacing unit to be included in your proposed horizontal spacing unit, as follows:

Proposed Increased Horizontal Spacing Unit:

Description	Acres	Pool	Pool Code
S/2 Section 03	1440	Avalon; Bone Spring, East	3713
S/2 Section 02			
S/2 Section 01			

You have requested an exception pursuant to Rule 19.15.16.15(A)(3) NMAC, to approve a non-standard horizontal spacing unit consisting of the entire area described above as the horizontal spacing unit. The proposed horizontal spacing unit does not consist of a quarter - quarter section or equivalent in both sections, as required by Rule 19.15.16.15(B)(1) NMAC.

We understand that you are seeking this exception for an allowance to create a non-standard horizontal spacing unit, comprised of the Proposed Horizontal Spacing Unit referenced above within Eddy County, New Mexico.

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units which are to be included.

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You have requested this non-standard horizontal spacing unit in order reduce the impact on surface area, to eliminate potential emissions from separate facilities and to protect correlative rights within Bone Spring formation. Thereby, preventing waste underlying the S/2 of Section 03, the S/2 Section 02 and the S/2 Section 01 within the referenced Horizontal Spacing Unit.

Pursuant to the authority conferred by Division Rule 19.15.16.15(B)(5) NMAC, the above-described **non-standard horizontal spacing unit is hereby approved**. Further, the Applicant may add additional wells to the horizontal spacing unit. The additional well(s) shall be designated to the same horizontal spacing unit and pool/formation. Submit a Change of Plans to the OCD's permitting website. Once submitted, email the Action ID number to the following email address: ocd.engineer@emnrd.nm.gov of notice for additional wells.

General Provisions

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Date: 3/27/24

DYLAN M. FUGE DIRECTOR

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 330665

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP	OGRID: 6137
333 West Sheridan Ave. Oklahoma City, OK 73102	Action Number: 330665
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	4/5/2024