

State of New Mexico
Energy, Minerals and Natural Resources Department

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Gerasimos “Gerry” Razatos
Division Director (Acting)
Oil Conservation Division



Mr. Darin Savage
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ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 8769

**Devon Energy Production Company, L.P. [OGRID 6137]
Mr. Potato Head 11 14 Federal Com Well No. 824H
API No. 30-015-55060**

Reference is made to your application received on June 5th, 2024.

Proposed Location

| | Footages | Unit/Lot | Sec. | Twsp | Range | County |
|------------------|--------------------|-----------------|-------------|-------------|--------------|---------------|
| Surface | 200 FNL & 796 FEL | A | 11 | 24S | 29E | Eddy |
| First Take Point | 100 FNL & 1030 FEL | A | 11 | 24S | 29E | Eddy |
| Last Take Point | 100 FSL & 1030 FEL | P | 14 | 24S | 29E | Eddy |
| Terminus | 20 FSL & 1030 FEL | P | 14 | 24S | 29E | Eddy |

Proposed Horizontal Gas Units

| Description | Acres | Pool | Pool Code |
|--------------------|--------------|----------------------------|------------------|
| Section 11 | 1280 | Purple Sage; Wolfcamp, Gas | 98220 |
| Section 14 | | | |

You have requested to complete this horizontal well as a **gas** well described above in the referenced pool or formation. This well is governed by special rules R-14262, for the Purple Sage; Wolfcamp (Gas) Pool and governs wells to be located at least 330 feet from the unit outer boundary of a spacing unit and no closer than 10 feet to any quarter – quarter section line. The completed intervals of horizontal wells are to be located no closer than 330 feet to the exterior boundary of a standard 320 - acre **gas** spacing unit.

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 Spacing Unit.

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The well's completed interval is as close as 100 feet to the northern and southern boundary of the horizontal spacing unit. Encroachment will impact the following tract(s).

Section 02, encroachment to the SE/4
Section 23, encroachment to the NE/4

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 towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location to increase the ultimate recovery of reserves by decreasing the take points horizontal length within the Wolfcamp formation underlying all of Section 11 and all of Section 14, thereby preventing waste.

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 Subsection B of 19.15.15.13 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.



Gerasimos Razatos
Division Director (Acting)
GR/lrl

Date: 8/14/2024

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District III
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District IV
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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 374220

CONDITIONS

| | |
|---|--|
| Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102 | OGRID: 6137 |
| | Action Number: 374220 |
| | Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO) |

CONDITIONS

| | | |
|------------|-----------|----------------|
| Created By | Condition | Condition Date |
| llowe | None | 8/15/2024 |