State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Melanie A. Kenderdine Deputy Secretary – Designate

Ben Shelton Deputy Secretary (Acting) **Gerasimos "Gerry" Razatos** Division Director (Acting) Oil Conservation Division



Mr. Darin Savage darin@abadieschill.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 8787

Devon Energy Production Company, L.P. [OGRID 6137] Van Doo Dah 33 28 Federal Com Well No. 831H API No. 30-025-PENDING

Reference is made to your application received on July 10th, 2024.

Proposed Location

-	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	200 FSL & 755 FWL	М	33	25S	32E	Lea
First Take Point	100 FSL & 1540 FWL	Ν	33	25S	32E	Lea
Last Take Point	100 FNL & 1540 FWL	С	28	25S	32E	Lea
Terminus	20 FNL & 1540 FWL	С	28	25S	32E	Lea

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
W/2 of Section 33	640	Wildcat; LWR Wolfcamp (GAS)	98203
W/2 of Section 28			

You have requested to drill this horizontal well at an unorthodox well location described above in the referenced pool and 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 spacing unit.

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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 in reference to the Last Take Point referenced above within the described Horizontal Spacing Unit.

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

Section 04, T26S, R32E, encroachment to the NW/4 Section 21, encroachment to the SW/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 in order to maximize the recovery of oil and gas reserves within the Wolfcamp formation underlying W/2 of Section 33 and W/2 of Section 28. Thereby preventing waste within the formation all while protecting the correlative rights of affected persons in the encroached tracts.

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: <u>9/19/2024</u>

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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

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	388034
	Action Type:
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By		Condition Date
llowe	None	9/27/2024

CONDITIONS

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Action 388034