STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

APPLICATION OF DEVON ENERGY PRODUCTION
COMPANY LP FOR COMPULSORY POOLING
AND APPROVAL OF NON-STANDARD,
OVERLAPPING SPACING UNIT,
LEA COUNTY, NEW MEXICO.   **CASE NO. _____**

APPLICATION

Pursuant to NMSA § 70-2-17, Devon Energy Production Company LP, (OGRID No. 6137) ("Applicant" or "Devon") applies for an order pooling all uncommitted interests in the Third Bone Spring Sand formation underlying a 640-acre, more or less, non-standard, overlapping horizonal spacing unit comprised of Section 20, Township 23 South, Range 34 East, Lea County, New Mexico ("Unit"). In support of its application, Devon states the following:

1.   Applicant is a working interest owner in the Unit and has the right to drill wells thereon.

2.   The Unit will be dedicated to the following wells ("Wells"):

   a. **White Dove 20 601H** U-turn well, which will be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 20 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 20; and

   b. **White Dove 20 602H** U-turn well, which will be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 20 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 20.

3.   The completed intervals of the Wells will be orthodox.

4.   A depth severance exists in the Bone Spring formation within the Unit. Accordingly, Applicant seeks to pool uncommitted interests from a stratigraphic equivalent of

approximately 10,276.9' MD to 11,663.5' MD, as observed on the Stratocaster 20 Federal #004H well log (API No. 30-025-27051).

5.   The Unit will partially overlap with the spacing units for the following wells, which are located in Section 20, Township 23 South, Range 34 East, and produce from the Antelope Ridge Bone Spring, West pool (Code 2209):

   a. Stratocaster 20 Federal #001H (API No. 30-025-37295);

   b. Stratocaster 20 Federal #002H (API No. 30-025-41381);

   c. Stratocaster 20 Federal #003H (API No. 30-025-41447); and

   d. Stratocaster 20 Federal #004H (API No. 30-025-27051).

6.   Approval of a non-standard horizontal spacing unit is necessary to prevent waste and protect correlative rights.

7.   Applicant has undertaken diligent, good faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from all interest owners.

8.   The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

9.   In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated the operator of the Wells and the Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 8, 2025, and, after notice and hearing as required by law, the Division enter an order:

A.   Pooling all uncommitted interests in the Unit;

B. Approving a non-standard horizontal spacing unit pursuant to 19.15.16.15(B)(5) NMAC;

C. Approving the Wells in the Unit;

D. Designating Applicant as operator of the Unit and the Wells to be drilled thereon;

E. Authorizing Applicant to recover its costs of drilling, equipping and completing the Wells;

F. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

G. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the Wells against any working interest owner who does not voluntarily participate in the drilling of the Wells.

Respectfully submitted,

HARDY MCLEAN LLC

/s/ Dana S. Hardy
Dana S. Hardy
Jaclyn M. McLean
125 Lincoln Ave., Suite 223
Santa Fe, NM 87501
Phone: (505) 230-4410
dhardy@hardymclean.com
jmclean@hardymclean.com

ATTORNEYS FOR DEVON ENERGY
PRODUCTION COMPANY LP