

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

**APPLICATION OF DEVON ENERGY  
PRODUCTION COMPANY, L.P.  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO**

Case No. \_\_\_\_\_

**APPLICATION**

Devon Energy Production Company, L.P. ("Devon"), OGRID No. 6137, through its undersigned attorneys, hereby files this Application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests in the Wolfcamp formation, designated as an oil pool, underlying a nonstandard 640-acre, more or less, spacing unit comprised of the S/2 of Sections 15 and 16, all in Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico. In support of its Application, Devon states the following:

1. Devon is a working interest owner in the proposed horizontal spacing unit ("HSU") and has a right to drill a well thereon.
2. Devon proposes and dedicates to the HSU the **Cedar Hills 15-16 State Com 623H Well** and **Cedar Hills 15-16 State Com 624H Well** as the initial wells, to be drilled to a sufficient depth to test the Wolfcamp formation.
3. Devon proposes the **Cedar Hills 15-16 State Com 623H Well**, an oil well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 14 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 16.

4. Devon proposes the **Cedar Hills 15-16 State Com 624H Well**, an oil well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 14 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 16.

5. The wells proposed herein are orthodox in their location; the take points and completed intervals will comply with setback requirements under statewide rules.

6. The unit does not have a proximity well; therefore, the spacing unit is nonstandard. Devon will be applying with the Division for administrative approval of the nonstandard (NSP) unit.

7. Devon has sought in good faith but has been unable to obtain voluntary agreement from all interest owners to participate in the drilling of the wells or in the commitment of their interests to the wells for their development within the proposed HSU.

8. The pooling of all interests in the Wolfcamp formation within the proposed HSU will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights.

9. In order to provide for its just and fair share of the oil and gas underlying the subject lands, Devon requests that all uncommitted interests in this HSU be pooled and that Devon be designated the operator of the proposed horizontal well and HSU.

**WHEREFORE**, Devon requests that this Application be set for hearing on September 11, 2025, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

A. Pooling all uncommitted mineral interests in the Wolfcamp formation, designated as an oil pool, underlying a nonstandard 640-acre, more or less, spacing unit comprised of the S/2 of Sections 15 and 16, all in Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico.

- B. Approving the **Cedar Hills 15-16 State Com 623H Well** and **Cedar Hills 15-16 State Com 624H Well** as the wells for the HSU.
- C. Designating Devon as operator of this HSU and the horizontal wells to be drilled thereon;
- D. Authorizing Devon to recover its costs of drilling, equipping, and completing the wells;
- E. Approving actual operating charges and costs of supervision, to the maximum extent allowable, while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Setting a 200% charge for the risk assumed by Devon in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ *Darin C. Savage*

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***Attorneys for Devon Energy Production Company,  
L.P.***

***Application of Devon Energy Production Company, L.P., for Compulsory Pooling, Eddy County, New Mexico.*** Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Wolfcamp formation, designated as an oil pool, underlying a nonstandard 640-acre, more or less, spacing unit comprised of the S/2 of Sections 15 and 16, all in Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico. The proposed wells to be dedicated to the horizontal spacing unit are the **Cedar Hills 15-16 State Com 623H Well**, an oil well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 14 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 16 and the **Cedar Hills 15-16 State Com 624H Well**, an oil well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 14 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 16. The wells are orthodox in their locations; the take points and completed intervals will comply with setback requirements under statewide rules. Applicant will be applying for administrative approval of the nonstandard (NSP) unit. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 5.4 miles North-Northeast of Carlsbad, New Mexico.