# NSL

## Initial

# Application

Received: 07/17/20

Received by OCD: 7/17/2020 2:39:09 PM

P.O. No 2E1C2-200717-NSL000

Revised March 23, 2017

**NSL-8057** 

Page 1 of 20

	APP NO:
0'/1'/20 LRL	NSL pLEL2020235808
<b>NEW MEXICO OIL COP</b> - Geological & Engin 1220 South St. Francis Drive	neering Bureau – e, Santa Fe, NM 87505
ADMINISTRATIVE APP THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIV REGULATIONS WHICH REQUIRE PROCESSIN	E APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
Applicant: Devon Energy Production, L.P.	OGRID Number: 6137
Vell Name: Shetland 11-2 Fed State Com #711H Well	API: 30-015-47156
OOI: Purple Sage; Wolfcamp (Gas) Pool	Pool Code: _98220
SUBMIT ACCURATE AND COMPLETE INFORMATION INDICATE         1) TYPE OF APPLICATION: Check those which apply         A Logation         Specing Unit         Simultaneous Down	<b>D BELOW</b> y for [A]
A. Location – Spacing Unit – Simultaneous Dec NSL NSP (PROJECT AREA)	
B. Check one only for [1] or [11] [1] Commingling – Storage – Measuremen DHC CTB PLC PC [11] Injection – Disposal – Pressure Increase WFX PMX SWD IPI	OLS OLM - Enhanced Oil Recovery EOR PPR
<ul> <li>NOTIFICATION REQUIRED TO: Check those which</li> <li>A. Offset operators or lease holders</li> </ul>	napply.
<ul> <li>B. Royalty, overriding royalty owners, rever</li> <li>C. Application requires published notice</li> </ul>	, application
<ul> <li>D. Notification and/or concurrent approve</li> <li>E. Notification and/or concurrent approve</li> <li>F. Surface owner</li> </ul>	
G. For all of the above, proof of notification H. No notice required	n or publication is attached, and/or,
CERTIFICATION: I hereby certify that the information administrative approval is accurate and complete understand that no action will be taken on this constitutions are submitted to the Division.	ete to the best of my knowledge. I also
Note: Statement must be completed by an indivi	dual with managerial and/or supervisory capacity.
	July 17, 2020
Kaitlyn A. Luck	Date

Print or Type Name

hell

505-954-7286

Phone Number

kaluck@hollandhart.com e-mail Address

Signature



Kaitlyn A. Luck Phone (505) 954-7286 KALuck@hollandhart.com

July 17, 2020

#### VIA ONLINE FILING

Adrienne Sandoval, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

### Re: Application of Devon Energy Production, LP, for administrative approval of an unorthodox well location for its Shetland 11-2 Fed State Com #711H Well in the W/2 of Sections 2 and 11, Township 26 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

Dear Ms. Sandoval:

Devon Energy Production, LP ("Devon") (OGRID No. 6137) seeks administrative approval of an unorthodox well location for its **Shetland 11-2 Fed State Com #711H Well** (API No. 30-015-47156) to be completed within the Purple Sage Wolfcamp Pool (98220) underlying the W/2 of Sections 2 and 11, Township 26 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

This well will be drilled from a <u>surface location</u> 15 feet from the south line and 475 feet from the west line (Unit M) of Section 11 to a <u>bottom hole location</u> 20 feet from the north line and 330 feet from the west line (Unit D) of Section 2. The <u>first take point</u> will be located 100 feet from the south line and 330 feet from the west line (Unit M) of Section 11, and the <u>last take point</u> will be 100 feet from the north line and 330 feet from the west line (Unit D) of Section 2.

Pursuant to Division Order R-14262, this acreage is governed by the Special Rules for the Purple Sage-Wolfcamp Gas Pool which provide for wells in the Wolfcamp formation in Eddy County to be located no closer than 330 feet to the outer boundary of the spacing unit. The completed interval for the **Shetland 11-2 Fed State Com #711H Well** will be unorthodox because it is closer than 330 feet to the northern and southern boundaries of the spacing unit. Approval of the unorthodox completed interval will allow Devon to use its preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

T 505.988.4421 F 505.983.6043 110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849 Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208 www.hollandhart.com

	Alaska	Montana	Utah
	Colorado	Nevada	Washington, D.C.
ļ	Idaho	New Mexico	Wyoming

**Exhibit A** is a Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Shetland 11-2 Fed State Com #711H Well** encroaches on the drilling and spacing unit to the north in Section 35, Township 25 South, Range 31 East, and to the south in Section 14, Township 26 South, Range 31 East.

**Exhibit B** is a land plat for Sections 2 and 11 that shows the proposed **Shetland 11-2 Fed State Com #711H Well** in relation to the adjoining spacing unit to the north in Section 35 and to the south in Section 14.

Ownership is diverse between the subject spacing unit and the affected spacing units to the north and south. **Exhibit C** reflects that a copy of this application with all attachments has been sent by certified mail to each affected person advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application.

**Exhibit D** is a statement from a Devon's petroleum engineer confirming that Devon's requested unorthodox location is necessary to optimize well spacing, thereby preventing waste.

Your attention to this matter is appreciated.

Sincerely,

Aul

Kaitlyn A. Luck Attorney for Devon Energy Production Company, L.P.

District 1 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

#### State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> APl Number	<sup>2</sup> Pool Code	<sup>2</sup> Pool Code <sup>3</sup> Pool Name			
<sup>4</sup> Property Code	<sup>5</sup> Pr	operty Name	<sup>6</sup> Well Number		
	SHETLAND 11	SHETLAND 11-2 FED STATE COM			
<sup>7</sup> OGRID No.	8 OF	<sup>8</sup> Operator Name			
6137	<b>DEVON ENERGY PRO</b>	<b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>			
	10 Su	Irface Location			

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	11	26 S	31 E		15	SOUTH	475	WEST	EDDY
" Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	2	26 S	31 E		20	NORTH	330	WEST	EDDY
<sup>12</sup> Dedicated Acre	s <sup>13</sup> Joint	or Infill <sup>14</sup>	Consolidation	n Code			<sup>15</sup> Order No.		

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

N89'33'35'E 2661.22 FI N89'32'50'E 2662.17 FT		<sup>17</sup> OPERATOR CERTIFICATION
NW CORNER SEC. 2 LAT. = 32.0794666N L BOTTOM LAT. = 32.0794837N	NE CORNER SEC 2 LAT. = 32.0795016'N	I hereby certify that the information contained herein is true and complete
LONG = 103.7574356'W 12 NOF HOLF	LONG. = 103.7402522 W	to the best of my knowledge and belief, and that this organization either
NMSP EAST (FT) 0 N = 393123.30 0	NMSP EAST (FT) N = 393164.77 F = 725028.21	owns a working interest or unleased mineral interest in the land including
E = 719706.10 >	α E = 725028.21	the proposed bottom hole location or has a right to drill this well at this
BOTTOM OF HOLE LAST TAKE POINT	1 44	location pursuant to a contract with an owner of such a mineral or working
W/4 CORNER SEC. 2 8 LONG. = 103.7563704 W LAT. = 32.0791941 N	E/4 CORNER SEC. 2	interest, or to a voluntary pooling agreement or a compulsory pooling order
LAT. = 32.0721403 N Z NMSP EAST (FT) LONG. = 103.7563705 W LONG. = 103.7574402 W N = 393105.84	LAT. = 32.0721721'N LONG = 103.7402701'W	heretofore entered by the division.
NMSP EAST (FT) E = 720036.12 SEC. 2	NMSP EAST (FT) N = 390498.43	
E = 719718.90	E = 725037.32	Signature Date
6666.4	654.	
×	2	Printed Name
9,21,	1.44	
SECTION CORNER B	SECTION CORNER	E-mail Address
LONG. = 103.7574377'W N89'25"41"E QUARTER CORNER N89'25"41"E	LAT. = 32.0648778"N LONG. = 103.7402879"W	C-mail Address
NMSP EAST (FT) 2656.92 FT SCALED 2656.92 FT N = 387791.85	NMSP EAST (FT) N = 387844.87	RUDVENOD CEDTIFICATION
E = 719733.91	E = 725046.38	<sup>18</sup> SURVEYOR CERTIFICATION
667.	677,	I hereby certify that the well location shown on this plat
FIRST TAKE POINT ≥ 100' FSL, 330' FWL	ы Ба	was plotted from field notes of actual surveys made by
♀ LAT. = 32.0504257 N └ONG. = 103.7563542 W	17.53	me or under my supervision, and that the same is true
W/4 CORNER SEC. 11 LAT. = 32.0574807'N Z SHETLAND 11-2 FED	E/4 CORNER SEC 11 LAT. = 32.0575180'N	and correct to the best of my belief.
LONG. = 103.7574542'W NMSP EAST (FT) STATE COM 711H ELEV. = 3208.2' SEC - 11	LONG = 103.7402904'W NMSP EAST (FT)	JULY 6, 2020
N = 385125.16 E = 719743.03 LONG. = 103.7558847.W	N = 385167.52 E = 725060.31	Date of Survey
NMSP EAST (FT)	122000,31	A STANDER X L
$\binom{82}{8}$ N = 382476,74 S E = 720243,43	266	ANTAN CHENKAN
SW CORNER SEC. 11 ≱ LAT. = 32.0501483'N ☆ ┏FTP	SE CORNER SEC. 11	
LONG. = 103.7574177'W N S SURFACE	■ LONG. = 103.7402922 ₩	Signature and Seal of Torresional Surveyor:
NMSP EAST (FT) $S$ N = 382457.83 Z S/4 CORNER SEC. 11	NMSP EAST (FT) N = 382501.27	Certificate Number: A 1010 LAB ANILLO LS 12797
E = 719768.56 - 475 SCALED S8931'51'W 2653.56 FT S8931'51'W 2653.56 FT	E = 725074.39	705558 V 0. 7480B
	EXHIBIT	



Intent	As Drilled	

API #

Operator Name:	Property Name:	Well Number
DEVON ENERGY PRODUCTION COMPANY, L.P.	SHETLAND 11-2 FED STATE COM	711H

#### Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitu	Latitude			Longitude				NAD	

#### First Take Point (FTP)

UL M	Section 11	Township 26S	Range 31E	Lot	Feet 100	From N/S SOUTH	Feet 330	From E/W WEST	County EDDY
Latitude			Longitude		NAD				
32.0	32.0504257			103.7563542				83	

#### Last Take Point (LTP)

UL D	Section 2	Township 26S	Range 31E	Lot	Feet 100	From N/S NORTH	Feet 330	From E/W	County EDDY
1	Latitude 32.0791941			Longitud	<sup>le</sup> 563705		NAD 83		

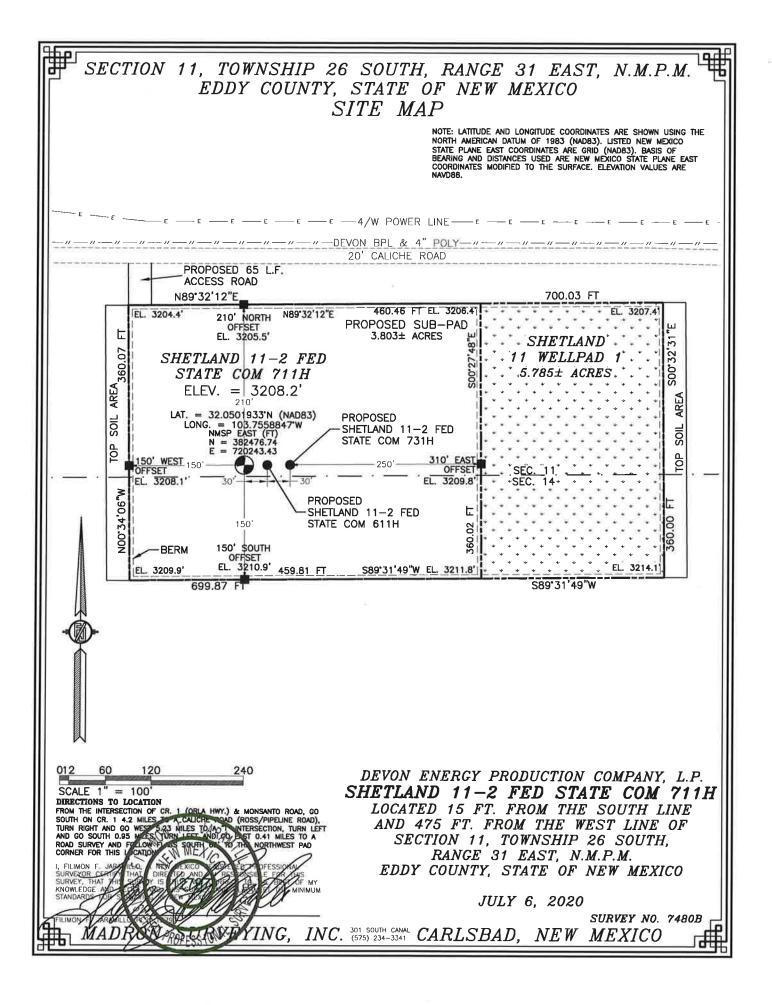
Is this well the defining well for the Horizontal Spacing Unit?

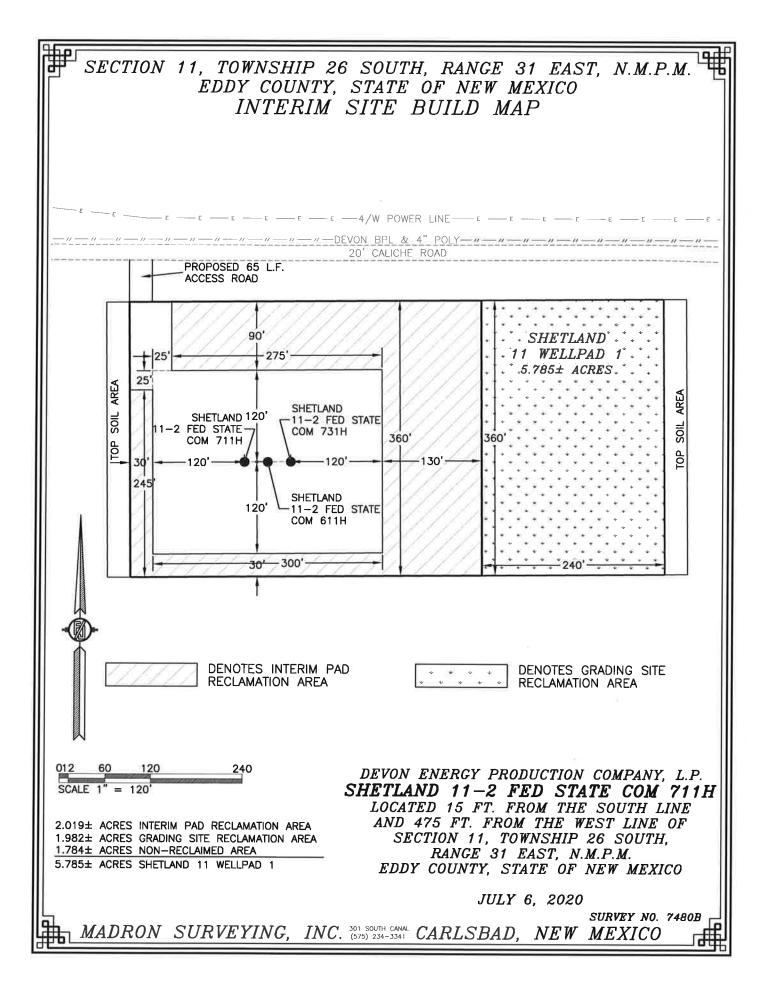
Is this well an infill well?

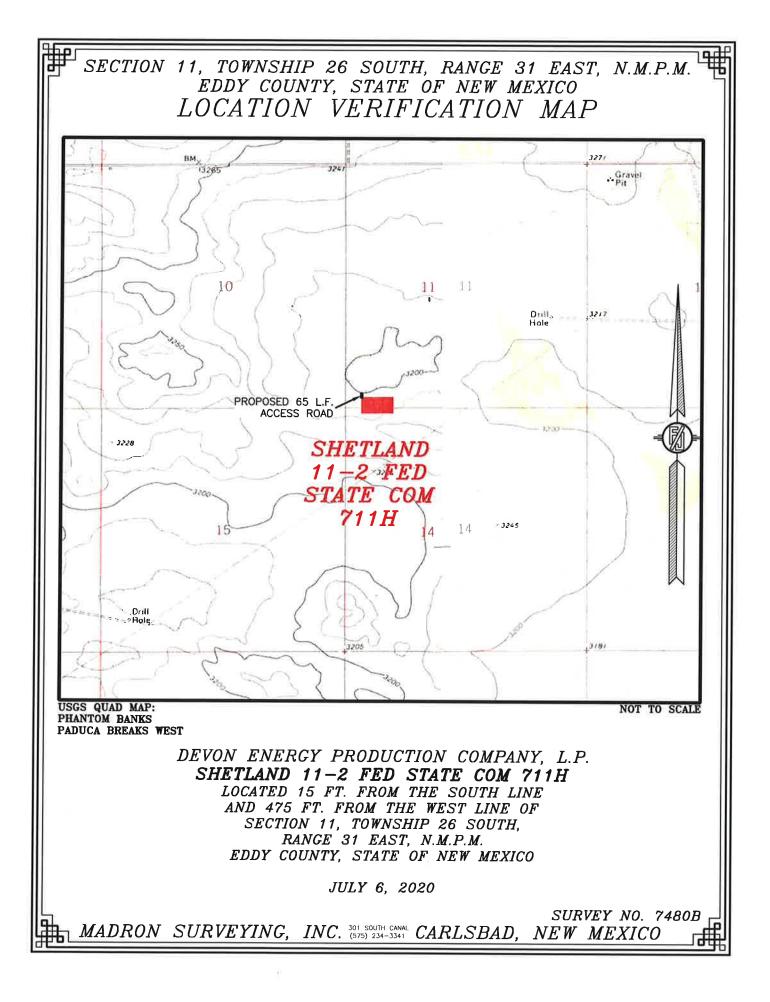
If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

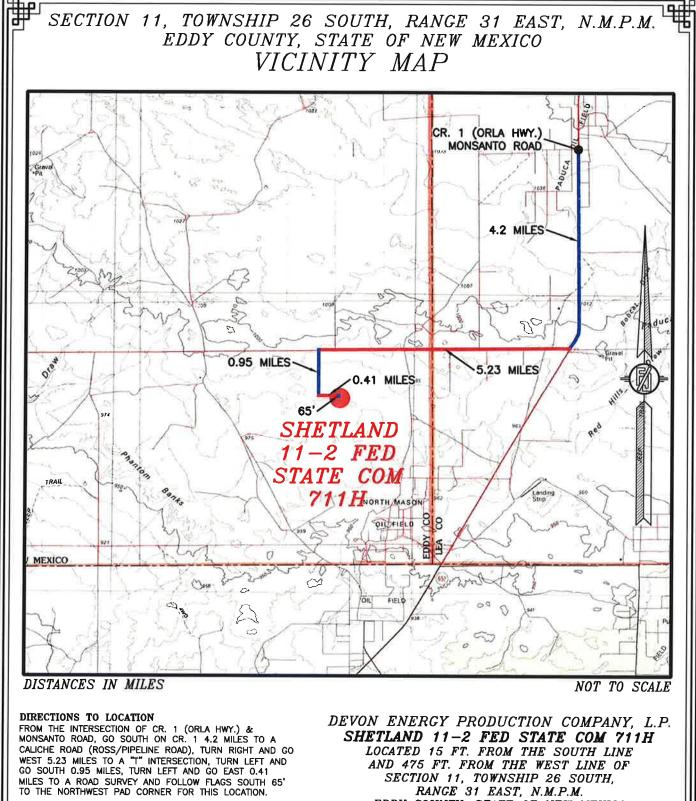
API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

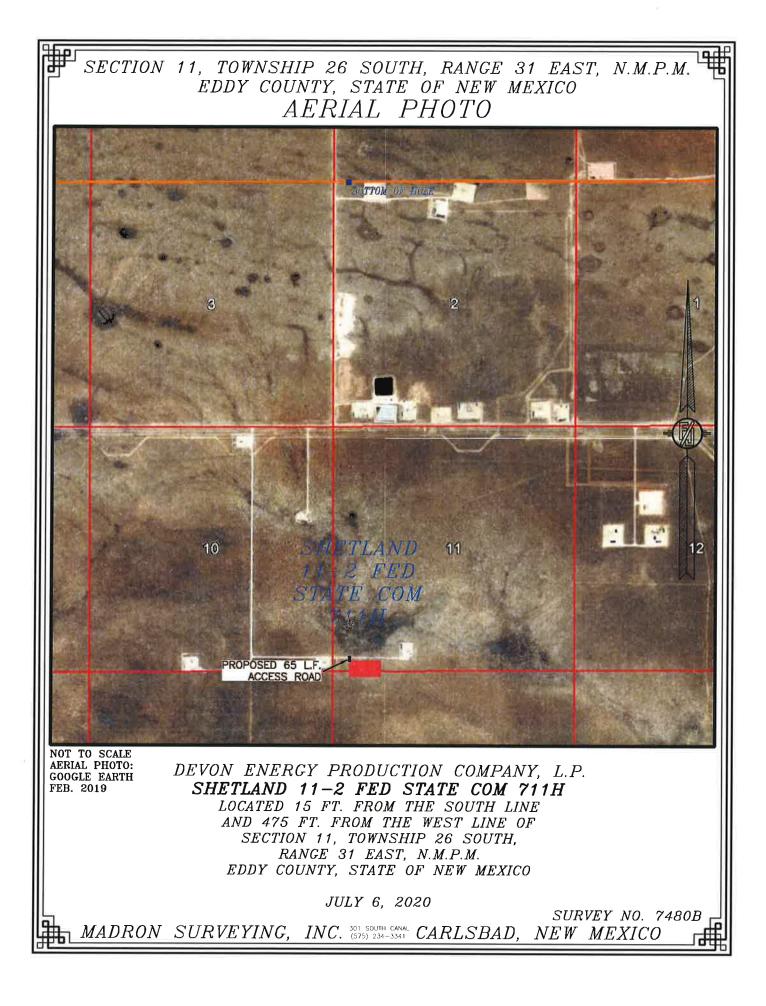


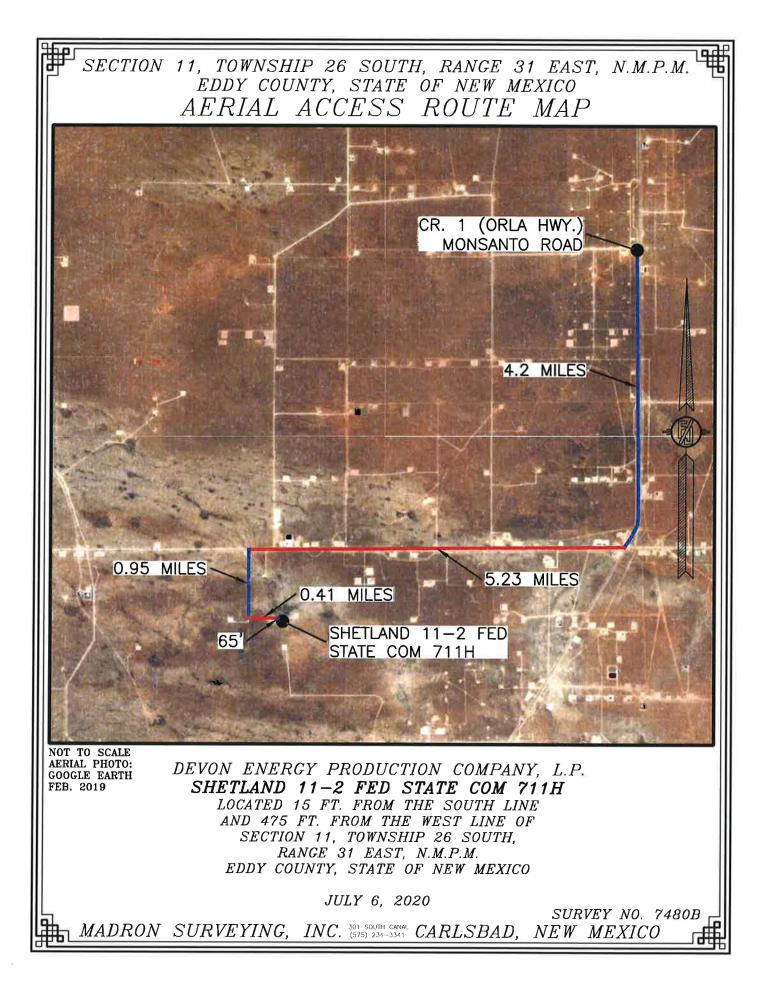


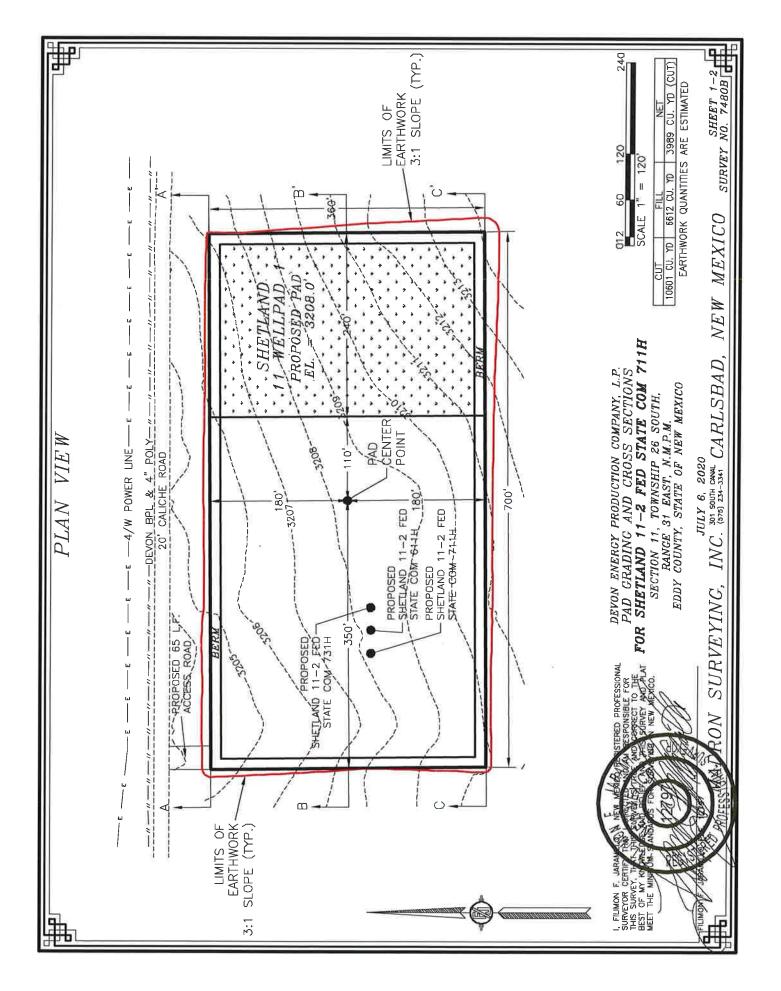


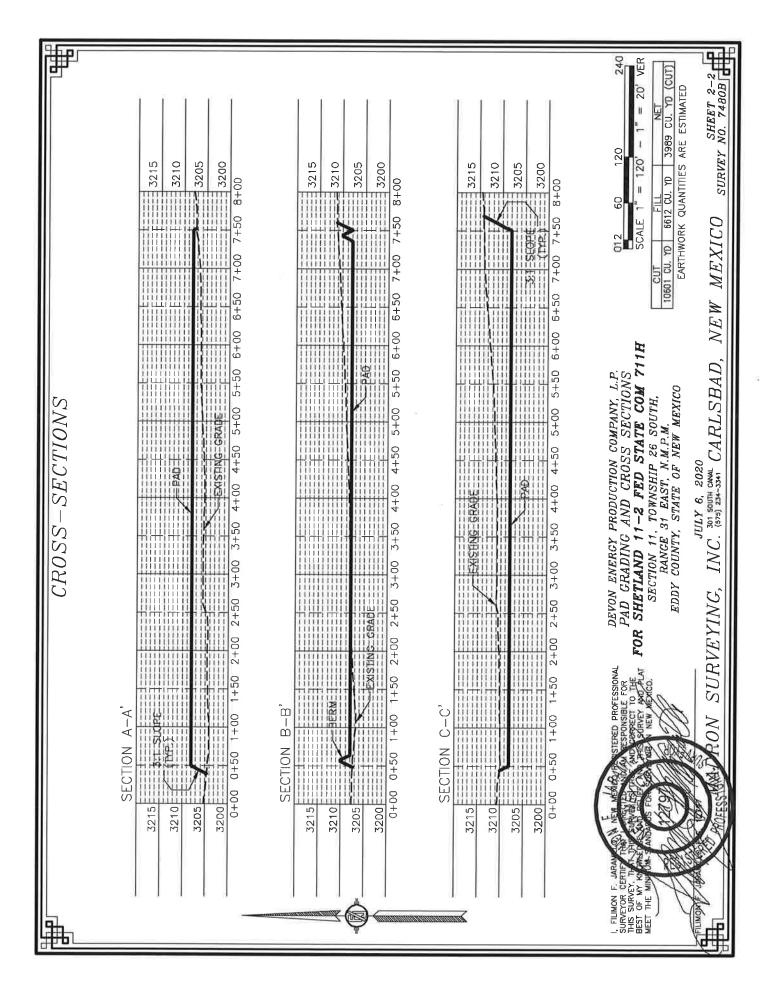


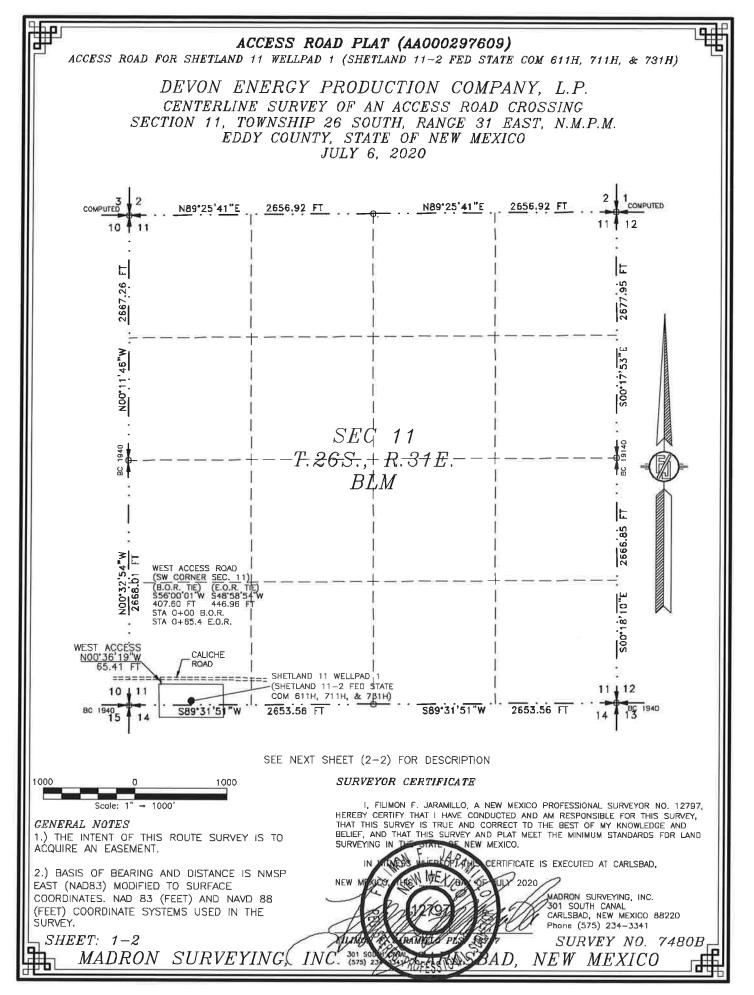
SURVEY NO. 7480B MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO

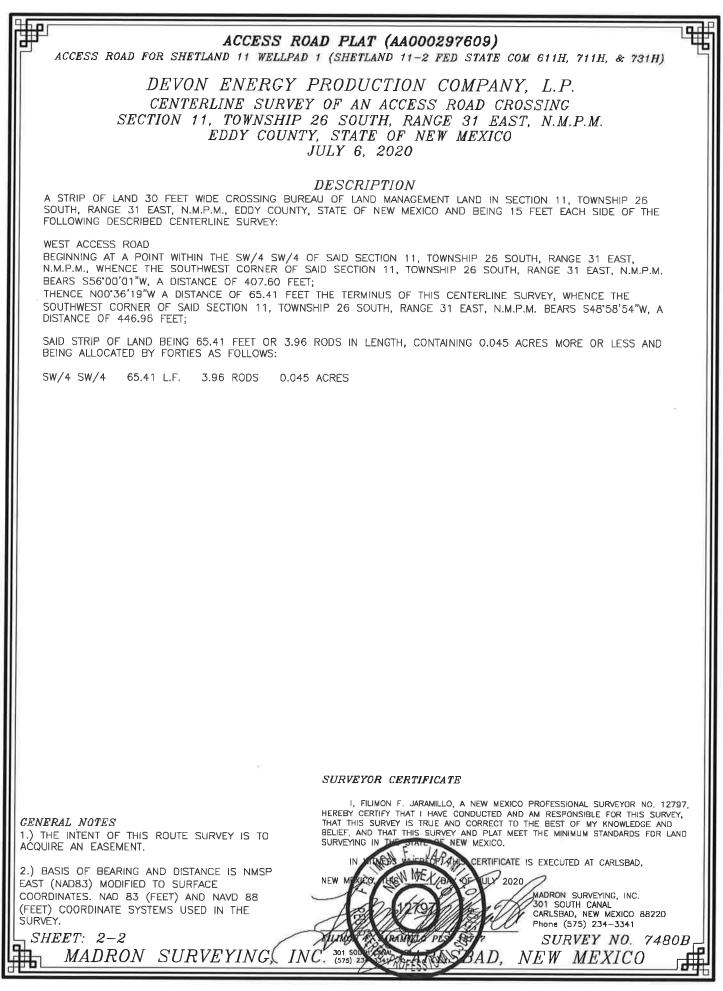




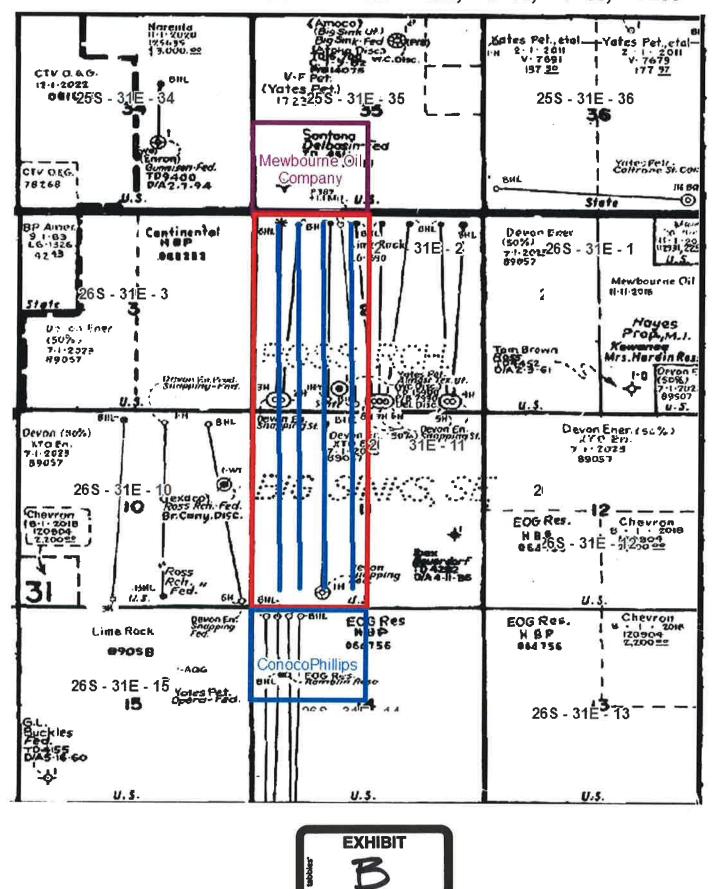








#### Affected Tracts Shetland 11-2 Fed State Com 611H, 711H, 712H, 732H





Kaitlyn A. Luck Phone (505) 954-7286 KALuck@hollandhart.com

July 17, 2020

#### VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

**TO AFFECTED PARTIES:** 

Re: Application of Devon Energy Production, LP, for administrative approval of an unorthodox well location for its Shetland 11-2 Fed State Com #711H Well in the W/2 of Sections 2 and 11, Township 26 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Tim Prout Devon Energy (405) 552-6113 Tim.Prout@dvn.com

Sincerely,

Kaitlyn A. Luck Attorney for Devon Energy Production Company, L.P.





Note to Mailer: The labels and volume associated to this form online, must match the labeled packages being presented to the USPS® employee with this form.

#### **Shipment Confirmation Acceptance Notice**

Shipment Date: 07/17/2020

Shipped From:

Name: HOLLAND & HART LLP (1) Address: \_\_\_\_10 N GUADALUPE ST # 1

Devon - Shetland 611H, 613H, 711H, 712H, 732H NSL CM# 41132.0002

City: SANTA FE State: NM ZIP+4<sup>®</sup> 87501

Type of Mail	Volume
Priority Mail Express®*	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	4
Total	4

\*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

#### B. USPS Action

Note to RSS Clerk:

- 1. Home screen > Mailing/Shipping > More

   2. Select Shipment Confirm

   3. Scan or enter the base of th
- Scan or enter the barcode/label number from PS Form 5630
- Confirm the volume count message by selecting Yes or No
   Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail. Leave form with customer or in customer's mail receptacle.



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Firm Mailing Book For Accountable Mail

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Holland & Hart LLP (1) 110 N Guadalupe St # 1 Santa Fe NM 87501		Affix S (if issue certifice addition	Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this rece Postmark with Date of Rec	Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.								
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Received by OCD: 7/17/2020 2:39:09 PM



Devon Energy Production Company. L.P. 333 West Sheridan Avenue Oklahoma City, OK 73102

July 15, 2020

Mr. Leonard Lowe New Mexico Oil Conservation Division 1220 South Francis Drive Santa Fe, New Mexico 87505

RE: Application for Nonstandard Locations Engineering Statement Devon Energy Production Company, L.P. Shetland 11-2 Fed State Com 611H, 711H, 712H, 732H Shetland 2-11 State Fed Com 613H Sections 10 & 3-26S-31E Eddy County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, L.P. respectfully requests administrative approval of a non-standard location for each of the Shetland wells referenced above by decreasing the first and last take point(s) from 330 feet to 100 feet from the horizontal plane outer boundary. The wells are located in the Purple Sage-Wolfcamp Gas Pool (Pool Code 98220). It is Devon's responsibility as a prudent operator to maximize lateral length and to minimize reserves left in the ground. Decreasing the last take point will increase the wells effective lateral length by 460 feet thereby increasing ultimate recovery of reserves and preventing waste of natural resources.

Sincerely,

Parge Bowes

Paige Bowes Reservoir Engineer

