

Approved

NSL

Order

Approved: 08/07/20

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Adrienne E. Sandoval, Director
Oil Conservation Division



August 7, 2020

Ms. Kaitlyn A. Luck
Kaluck@hollandhart.com

NON-STANDARD LOCATION

Administrative Order NSL-8056

**Devon Energy Production, L.P. [OGRID 6137]
Shetland 2 11 State Federal Com Well No. 613H
API No. 30-015-47172**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	170 FNL & 1130 FEL	A	2	26S	31E	Eddy
First Take Point	100 FNL & 1750 FEL	A	2	26S	31E	Eddy
Last Take Point	100 FSL & 1750 FEL	O	11	26S	31E	Eddy
Terminus	20 FSL & 1750 FEL	O	11	25S	31E	Eddy

Proposed Horizontal Gas Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 of Section 2	640	Purple Sage; Wolfcamp (GAS)	98220
E/2 of Section 11			

Reference is made to your application received on July 17, 2020.

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 for the Purple Sage; Wolfcamp (Gas) Pool of and provides for 320-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 100 feet to the northern and southern edge. Encroachment will impact the following tract.

Section 35 25S 31E, encroachment to the SE/4
Section 14, 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 in order to maximize the lateral length of the well and to minimize reserves left in the ground, thus reducing waste while protecting correlative rights within the Wolfcamp formation underlying the E/2 of Section 2 and the E/2 of Section 11.

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.**

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.



ADRIENNE E. SANDOVAL
Division Director

AES/lrl

cc: Oil Conservation Division – Artesia District Office
State Land Office – Oil, Gas, and Mineral Division
Bureau of Land Management – Carlsbad Field Office

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Monday, August 10, 2020 5:44 PM
To: Kaitlyn A. Luck
Cc: Bratcher, Mike, EMNRD; Podany, Raymond, EMNRD; 'lisa@rwbyram.com'; Simmons, Kurt, EMNRD; Terry Warnell; McClure, Dean, EMNRD; Garcia, John A, EMNRD; Scott Cox; 'jglover@blm.gov'; Holm, Anchor E.
Subject: APPROVED NSLs_DEVON ENERGY PROD., L.P._Shetland Fed State Wells No. (611H, 613H, 711H, 712H, 732H)_SEC 11 26S 31E
Importance: High

Ms. Kaitlyn A. Luck,

The following NSL Administrative Orders have been issued and will soon be available on the Division's web site:

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

NSL	AMD	Applicant	OGRID	WELL NAME	API #
8059	-	Devon Energy Production L.P.	6137	Shetland 11 2 Federal State Com Well No. 732H	30-015-47159
8058	-	Devon Energy Production L.P.	6137	Shetland 11 2 Federal State Com Well No. 712H	30-015-47157
8057	-	Devon Energy Production L.P.	6137	Shetland 11 2 Federal State Com Well No. 711H	30-015-47156
8056	-	Devon Energy Production L.P.	6137	Shetland 2 11 Federal State Com Well No. 613H	30-015-47172
8055	-	Devon Energy Production L.P.	6137	Shetland 11 2 Federal State Com Well No. 611H	30-015-47139

Leonard R. Lowe

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