

Approved

NSL

Order

Approved

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 5, 2020

Ms. Kaitlyn Luck
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NON-STANDARD LOCATION

Administrative Order NSL-8042

Devon Energy Production Company, L.P. [OGRID 6137]
Thoroughbred 10 3 Federal Well No. 732H
API No. 30-015-46507

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>TWNSP</u>	<u>Range</u>	<u>County</u>
Surface	220 FSL & 1530 FWL	N	10	26S	31E	Eddy
First Take Point	330 FSL & 2310 FWL	N	10	26S	31E	Eddy
Last Take Point	100 FNL & 2310 FWL	C	3	26S	31E	Eddy
Terminus	20 FNL & 2310 FWL	C	3	26S	31E	Eddy

Proposed Horizontal Gas Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 W/2 of Sec. 10	320	Purple Sage; Wolfcamp (GAS)	98220
E/2 W/2 of Sec. 3			

Reference is made to your application received on July 8, 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 edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 34, Township 25 South, Range 31 East, 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 seek this unorthodox location in order to optimize the completed lateral length of this wellbore while protecting correlative rights, improving well economics and thereby preventing waste within the Wolfcamp formation underlying the E/2 W/2 of Section 10 and E/2 W/2 of Section 3.

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/kms

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