

NSL

Order

Approved

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 10, 2020

Ms. Kaitlyn A. Luck kaluck@hollandhart.com

NON-STANDARD LOCATION

Administrative Order NSL-8043

Devon Energy Production Company, L.P. [OGRID 6137] Thoroughbred 10 3 Fed Com Well No. 733H API No. 30-015-46904

Proposed Location

	Footages	Unit/Lot	Sec.	TWNSP	Range	e County
Surface	270 FSL & 2310 FEL	0	10	26S	31E	Eddy
First Take Point	330 FSL & 1650 FEL	0	10	26S	31E	Eddy
Last Take Point	100 FNL & 1650 FEL	В	3	26S	31E	Eddy
Terminus	20 FNL & 1650 FEL	В	3	26S	31E	Eddy

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
E/2 of Section 10	640	Purple Sage; Wolfcamp (GAS)	98220
E/2 of Section 3			

Reference is made to your application received on July 20, 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 SE/4

Administrative Order NSL-8043 Devon Energy Production Company, L.P. August 10, 2020 Page 2 of 2

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 of Section 10 and E/2 of Section 3, Township 26 South, Range 31 East.

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.



AES/kms

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