State of New Mexico Energy, Minerals and Natural Resources Department

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NON-STANDARD LOCATION

Administrative Order NSL-8365

Devon Energy Production Company, L.P. [OGRID 6137] Mule 23 11 Federal Com Well No. 823H API No. 30-015-PENDING

Proposed Location

	<u> Footages</u>	Unit/Lot	Sec.	Twsp	Range	County
Surface	1109 FNL & 1877 FEL	В	23	25S	31E	Eddy
First Take Point	1210 FNL & 2290 FEL	В	23	25S	31E	Eddy
Last Take Point	100 FNL & 2290 FEL	В	11	25S	31E	Eddy
Terminus	20 FNL & 2290 FEL	В	11	25S	31E	Eddy

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
N/2 NE/4 of Section 23	720	Purple Sage; Wolfcamp (GAS)	98220
E/2 of Section 14			
E/2 of Section 11			

Reference is made to your application received on May 13th, 2022

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, R-14262, for the Purple Sage; Wolfcamp (Gas) Pool 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 110 feet to the southern edge and 100 feet to the northern edge. Encroachment will impact the following tract.

Section 23, encroachment to the S/2 NE/4 Section 2, encroachment to the SE/4

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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 to increase the wells effective lateral length, thereby preventing waste within the Wolfcamp formation underlying the N/2 NE/4 of Section 23, the E/2 of Section 14 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.

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

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.

Date: 6/16/2022



AES/lrl