From:	Darin Savage
То:	Lowe, Leonard, EMNRD
Subject:	[EXTERNAL] Re: HSU - ? ; Devon - Prairie Fire 25 26 Fed Com Well No. 623H
Date:	Tuesday, September 27, 2022 10:38:25 AM
Importance:	High

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Mr. Lowe,

This is kind of complicated it looks like. Devon had pooled the unit in Case No. 22157 on a 320 acre unit. Then they found they needed an NSL for 623H and also had acquired 100% of the WI interest after the pooling. It's all federal land, so the plan was to apply for and get the NSL based on the original unit, which is all we had to work with at the time we submitted the NSL application. They had some BLM time restrictions they were working with that impacted their drilling scheduled, and they wanted to get the NSL application in place.

I described in the last paragraph of the Application Letter that Devon had acquired 100% of the WI and applied for a new APD, and that once the APD was issues, we planned to dismiss the pooling orders. It looks like in preparing to dismiss the pooling orders, Devon requested a 640 spacing unit in the APD because its all federal land and Devon owns 100% and that appeared to be the better development plan. Once the pooling order is dismissed, the 640 acre spacing unit will come into play.

But we still need the NSL approval because the 623H well encroaches upon the S/2 N/2 of Sections 25 and 26.

Darin

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DARIN SAVAGE	
Abadie   Schill P.C.	
214 McKenzie Street, Santa Fe, New Mexico 87501	
P   970.385.4401 :: F   970.385.4901 :: C   970.764.8191	_

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On Sep 27, 2022, at 8:41 AM, Lowe, Leonard, EMNRD <<u>Leonard.Lowe@emnrd.nm.gov</u>> wrote:

Mr. Savage,

The APD for the above referenced well was permitted for 640 acres HSU.

The NSL C-102 for the same well has an HSU identified as 320 acres HSU.

There is no change of plans for this well in referenced to a HSU change.

What is going on here?

Leonard R. Lowe Engineering Bureau OCD - EMNRD 5200 Oakland Ave. NE Albuquerque, N.M. 87113 C: 505-930-6717 http://www.emnrd.state.nm.us/ocd/