

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



October 6, 2015

Devon Energy Production Company, L.P.
Attn: Ms. Candace Callahan

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7348
Administrative Application Reference No. pLEL1527231135

Devon Energy Production Company, L.P.
OGRID 6137
Emerald PWU 20 Well No. 62 H
API No. 30-015-43372

Proposed Location:

	<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	1238` FSL & 248` FWL	M	20	19S	29E	Eddy
Penetration Point	1239` FSL & 330` FWL	M	20	19S	29E	Eddy
Final perforation	1279` FSL & 330` FEL	P	20	19S	29E	Eddy
Terminus	1280` FSL & 270` FEL	P	20	19S	29E	Eddy

Proposed Project Area:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
S/2 S/2 of Section 20	160	Scanlon Draw; Bone Spring	55510

Reference is made to your application received on September 28, 2015.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary, and Rule 19.15.16.14.B(2) NMAC concerning directional wells in designated project areas. This location is unorthodox because portions of the proposed completed interval are closer to outside boundaries of the proposed project area than any location that would be a standard location under the applicable pool rules.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A(2) NMAC.

It is our understanding that you are seeking this location to test the feasibility of down-spacing to maximize the recovery of oil and gas reserves within the project area.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 A (2) NMAC, in all adjoining units towards which the proposed location encroaches. However the only affected party had signed a waiver.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on October 6, 2015.



DAVID R. CATANACH
Director

DRC/lcl

cc: New Mexico Oil Conservation Division – Hobbs
New Mexico State Land Office – Oil, Gas, and Minerals