

State of New Mexico
Energy, Minerals and Natural Resources Department

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Heather Riley, Division Director
Oil Conservation Division



November 20, 2018

Jeff Ramsdell
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NON-STANDARD LOCATION

Administrative Order NSL-7787

Devon Energy Production Company, L.P. [OGRID 6137]
Tomb Raider 1-12 Federal Well No. 514H
API No. 30-015-PENDING

Proposed Location

| | <u>Footages</u> | <u>Unit/lot</u> | <u>Sec.</u> | <u>Twsp</u> | <u>Range</u> | <u>County</u> |
|------------------|--------------------|-----------------|-------------|-------------|--------------|---------------|
| Surface | 360 FNL & 2365 FEL | I | 1 | 23S | 31E | Eddy |
| First Take Point | 100 FNL & 2520 FEL | I | 1 | 23S | 31E | Eddy |
| Last Take Point | 100 FSL & 2520 FEL | O | 12 | 23S | 31E | Eddy |
| Terminus | 330 FSL & 2520 FEL | O | 12 | 23S | 31E | Eddy |

Proposed Horizontal Spacing Unit

| <u>Description</u> | <u>Acres</u> | <u>Pool</u> | <u>Pool Code</u> |
|---------------------|--------------|-------------------------------|------------------|
| W2 E2 of Section 1 | 320 | Livingston Ridge; Bone Spring | 39350 |
| W2 E2 of Section 12 | | | |

Reference is made to your application received on November 19, 2018.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. Sub Paragraph (a) of Paragraph (1) of Subsection B of 19.15.16.15 NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal oil well's completed interval penetrates, each of which consists of a governmental quarter-quarter section or equivalent.

This well's completed interval is as close as 120 feet to the western edge along the proposed well path within the horizontal spacing unit. Encroachments will impact the following tracts.

Section 1, encroachment to the E2 W2
Section 12, encroachment to the E2 W2

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. However, the ownership is identical in the E2 W2 of Section 1 and Section 12; therefore, notice is not required.

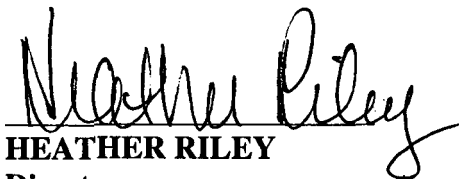
Division understands you seek this location in order to maximize recovery of resources beneath the prospective horizontal spacing unit and thereby prevent waste.

Your application has been filed under Subsection 6 of Paragraph of Section (C) of 19.15.16.15 NMAC, 19.15.15.13 NMAC and Paragraph (2) of Subsection A of 19.15.4.12 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.



HEATHER RILEY
Director

HR/lrl

cc: Oil Conservation Division – Artesia District Office
Bureau of Land Management – Carlsbad Field Office