Additional

Information

Garcia, John A, EMNRD

From: Kaitlyn A. Luck <KALuck@hollandhart.com>

Sent: Tuesday, February 25, 2020 8:15 AM

To: Garcia, John A, EMNRD
Cc: Michael Feldewert

Subject: [EXT] RE: Case 20872 Devon Energy

Attachments: Devon_ Talco - Order Exhibit A (Case 20872)[13838993v1].DOCX

John,

Thanks for letting me know. Please see attached. Let us know if you require anything further.

Best,

Kaitlyn

From: Garcia, John A, EMNRD < John A. Garcia@state.nm.us>

Sent: Tuesday, February 25, 2020 8:10 AM **To:** Kaitlyn A. Luck <KALuck@hollandhart.com>

Subject: Case 20872 Devon Energy

External Email

Kaitlyn,

I have spoken with the district geologist and confirmed this spacing unit will fall in only the WC-025 G-09 S263504N Wolfcamp (98117). If you could mend the Exhibit A I can continue reviewing.

Thank you,

John Garcia

Petroleum Specialist
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
505-476-3441



Exhibit "A"

Applicant: <u>Devon Energy Production Company, L.P.</u>

Operator: <u>Devon Energy Production Company, L.P. (OGRID 6137)</u>

Spacing Unit: Horizontal Oil

Building Blocks: quarter-quarter section equivalents

Spacing Unit Size: 640 acres (more or less)

Orientation of Unit: North/South

Spacing Unit Description:

W/2 of Sections 16 and 21, Township 26 South, Range 35 East, NMPM, Lea County, New

Mexico.

Pooling this Vertical Extent: Wolfcamp Formation

Depth Severance? (Yes/No): No

Pool: WC-025 G-09 S263504N; WOLFCAMP (Pool Code

<u>98117)</u>

Pool Spacing Unit Size: quarter-quarter sections
Governing Well Setbacks: Horizontal Oil Well Rules
Pool Rules: Latest Horizontal Rules Apply.

Proximity Tracts: Yes

Proximity Defining Well: Well No. 2H is to be drilled closer than 330 feet from the

Proximity Tracts and therefore defines the Horizontal Spacing Unit.

Monthly charge for supervision: While drilling: \$8000 While producing: \$800 As the charge for risk, 200 percent of reasonable well costs.

Proposed Wells:

Talco 16-21 State Federal Com Well No. 1H, API No. 30-025-Pending

SHL: 301 feet from the North line and 1194 feet from the West line, (Unit D) of Section 16, Township 26 South, Range 35 East, NMPM. BHL: 20 feet from the South line and 330 feet from the West line, (Unit M) of Section 21, Township 26 South, Range 35 East, NMPM.

Completion Target: Wolfcamp at approx 12590 feet TVD.

Well Orientation: North to South

Completion Location expected to be: standard

Talco 16-21 State Federal Com Well No. 2H, API No. 30-025-Pending

SHL: 301 feet from the North line and 1224 feet from the West line.

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(Unit D) of Section 16, Township 26 South, Range 35 East, NMPM. BHL: 20 feet from the South line and 1000 feet from the West line, (Unit M) of Section 21, Township 26 South, Range 35 East, NMPM.

Completion Target: Wolfcamp at approximately 12590 feet TVD

Well Orientation: North to South

Completion Location expected to be: standard