RECEIVED: 12/06/21 REVIEWER: APP NO: **LRL** pLEL2204861267

NEW MEXICO OIL CONSERVATION DIVISION



- Geological & Engin	
1220 South St. Francis Drive,	, Santa Fe, NM 87505
ADMINISTRATIVE APPL	
THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE REGULATIONS WHICH REQUIRE PROCESSIN	E APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND IG AT THE DIVISION LEVEL IN SANTA FE
Applicant: Devon Energy Production Company, L.P.	OGRID Number: 6137
Well Name: Mule 23-11 Fed Com 732H	API: 30-015-Pending
Pool: Purple Sage; Wolfcamp	Pool Code: 98220
SUBMIT ACCURATE AND COMPLETE INFORMATION INDICATE	
1) TYPE OF APPLICATION: Check those which apply A. Location – Spacing Unit – Simultaneous Dec INSL NSP (PROJECT AREA)	lication
B. Check one only for [1] or [11] [1] Commingling – Storage – Measurement DHC CTB PLC PC [11] Injection – Disposal – Pressure Increase WFX PMX SWD IPI	□ols □olm
2) NOTIFICATION REQUIRED TO: Check those which A. Offset operators or lease holders B. Royalty, overriding royalty owners, revent C. Application requires published notice D. Notification and/or concurrent approvate. Notification and/or concurrent approvate. Surface owner G. For all of the above, proof of notification H. No notice required	apply. Notice Complete Application Content Complete Dy SLO Dy BLM
3) CERTIFICATION: I hereby certify that the informat administrative approval is accurate and comple understand that no action will be taken on this a notifications are submitted to the Division.	te to the best of my knowledge. I also
Note: Statement must be completed by an individ	dual with managerial and/or supervisory capacity.
	Describer 2, 2021
Darin Savage	December 3, 2021 Date
Print or Type Name	970-385-4401
	Phone Number
Darin C. Savage Date: 2021.12.03 14:50:24-0700'	darin@abadieschill.com
Signature	e-mail Address EXHIBIT

Released to Imaging: 2/22/2022 4:13:45 PM

B

SUBMITTED TO THE OIL CONSERVATION DIVISION:

Application of Devon Energy Production Company, L.P., for administrative approval of nonstandard well location (NSL) for its Mule Wells located in the N/2 NW/4 of Section 23 and the W/2 of Sections 14 and 11, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.

TABLE OF CONTENTS

Exhibit A:	Statement of attestation to the Division (19.15.15.13D)
Exhibit B:	Administrative Checklist for NSL
Exhibit C:	A statement discussing the reasons for the unorthodox location (19.15.15.13C)
Exhibit D:	C-102 Forms, specifically identifying the NSL (19.15.15.13C)
Exhibit E:	Tract map outlining unorthodox HSU with affected area tracts identified
	(19.15.15.13C)
Exhibit F:	A list of affected persons, with addresses, entitled to notice of the application

(19.15.15.13C)

Devon Energy Production Company, LLC



ABADIE I SCHILL PC

Colorado New Mexico
Louisiana Texas
Kansas Utah
Nebraska Wyoming
Montana California
Oklahoma North Dakota

December 6, 2021

Adrienne Sandoval, Director Oil Conservation Division New Mexico Department of Energy Minerals and Natural Resources 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Copy to: Leonard Lowe, Division Hearing Examiner

Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Mule 23-11 Fed Com 732H Well located in the N/2 NW/4 of Section 23 and the W/2 of Sections 14 and 11, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.

Dear Director Sandoval:

Devon Energy Production Company, L.P., ("Devon"), OGRID No. 6137, is seeking administrative approval of a unorthodox well location ("NSL") for its Mule 23-11 Fed Com 732H (API Nos. 30-015-Pending), gas well, covering 720-acres, to be completed within the Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220) underlying the N/2 NW/4 of Section 23 and the W/2 of Sections 14 and 11, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico. A C-102 for the Well is attached as Exhibit D. This is a horizontal well that will be drilled as follows:

Mule 23-11 Fed Com 732H Well:

- Surface Location (SL): 959' from the North line and 1,970' from the West line of Section 23, Township 25 South, Range 31 East;
- Bottom Hole Location (BHL): 20' from the North line and 1,650' from the West line of Section 11, Township 25 South, Range 31 East;
- First Take Point (FTP): 1,213' from the North line and 1,650' from the West line of Section 23, Township 25 South, Range 31 East;
- Last Take Point (LTP): 100' from the North line and 1,650' from the West line of Section 11, Township 25 South, Range 31 East.

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501 O: 970.385.4401 • F: 970.385.4901

Α

EXHIBIT

Devon has included as Exhibit C, a letter explaining why this application is needed. The well will produce from the Purple Sage Wolfcamp Pool (Pool Code 98220). There are special pool rules for this pool under Order No. R-14262, that establish 330' setback requirements. The completed interval for the proposed well is closer than 330' from the boundary of the spacing unit.

The unorthodox well location will encroach towards the S/2 NW/4 of Section 23 and the SW/4 of Section 2, Township 25 South, Range 31 East.

Devon attests that, on or before submission of this application, it provided notice to the affected persons in the adjoining S/2 NW/4 of Section 23 and the SW/4 of Section 2, Township 25 South, Range 31 East; said notice as described satisfies all provisions of NMAC 19.15.4.12A(2)(a) and NMAC 19.15.15.13D; copies of the application and required plat maps were furnished. Devon also provided notice to the Bureau of Land Management to the extent that they own interest with respect to areas adjoining the proposed unorthodox well location unit. Additionally, Devon obtained an NSL waiver agreement from Mewbourne Oil Company, whose operating interests are in the S/2 N/2 of Section 23. Devon provides herein a tract map outlining the unorthodox HSU with affected area tracts identified, attached as Exhibit E. Proof of mailing, along with a copy of the notice letter sent to listed affected persons and parties, is attached hereto as Exhibit F. The development plan for this unit is pursuant to a Joint Operating Agreement; therefore, there is no associated pooling case number.

Your consideration in this matter is appreciated.

Sincerely,

Darin C. Savage Attorney for Applicant



Devon Energy Production Company, L.P. 333 West Sheridan Avenue Oklahoma City, OK 73102-5015

December 1, 2021

Mr. Leonard Lowe New Mexico Oil Conservation Division 1220 South Francis Drive Santa Fe, New Mexico 87505

RE:

Application for Nonstandard Location

Engineering Statement

Devon Energy Production Company, L.P.

Mule 23-11 Fed Com 612H, 621H, 623H, 624H, 711H, 712H, 713H, 714H, 731H, 732H, 733H, and 734H

(the "Mule Wells")

All of Section 11, 14, and N/2N/2 of 23-25S-31E

Eddy County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, L.P. respectfully requests administrative approval of a non-standard location ("NSL") for each of the Mule Wells referenced above. The Mule Wells are in the Purple Sage-Wolfcamp Gas Pool (Pool Code 98220). It is Devon's responsibility as a prudent operator to minimize reserves left in the ground. Decreasing the first and last take point from three hundred and thirty feet (330') to one hundred feet (100') will increase the wells effective lateral length by 460 feet thereby increasing ultimate recovery of reserves and thereby preventing waste of natural resources.

Sincerely,

Paige Bowes

Reservoir Engineer

Paige Bowes

EXHIBIT

C

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (575) 746-1283 Fax: (575) 748-9720

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FE, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 □ AMENDED REPORT

. , , , , ,	WELL LOCATION AND ACREAGE DEDICATION PLAT	
API Number	Pool Code Pool Name	
Property Code	Property Name	Well Number
	MULE 23-11 FED COM	732H
OGRID No.	Operator Name	Elevation
6137	DEVON ENERGY PRODUCTION COMPANY, L.P.	3361.7

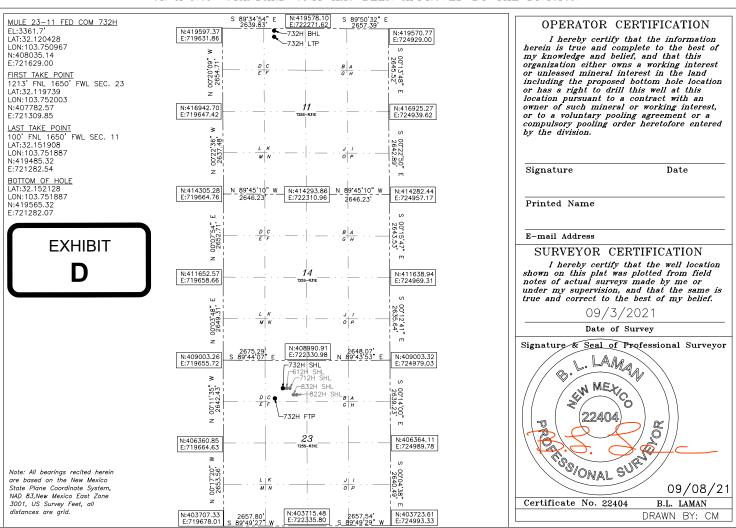
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
С	23	25-S	31-E		959	NORTH	1970	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
С	11	25-S	31-E		20	NORTH	1650	WEST	EDDY
Dedicated Acres Joint or Infill Consolidation Code			Code Ord	ler No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



Inten	t	As Dril	led											
API#	:													
Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP.							perty Na LE 23-			CON	//			Well Number 732H
Kick (Off Point	(KOP)												
UL	Section	Township	Range	Lot	Feet		From N/S	5	Feet	Ī.	Fron	n E/W	County	
Latitu	ude				Longitu	ıde							NAD	
First ⁻	Take Poir													
C	Section 23	Township 25-S	Range 31-E	Lot	Feet 1213		From N/S		165			ST	County EDDY	,
32.	ude .1197	39			Longitu 103		2003						NAD 83	
1 4 7	Tales Dais	+ (LTD)												
UL	Section	Township	Range	Lot	Feet	Froi	m N/S	Feet		From	E/W	Count	ty	
C	11	25-S	31-E		100 Longitu)RTH	165	50	WE	ST	EDI NAD		
	1519	08			_		1887	,				83		
Is this	s well the	defining v	vell for th	e Horiz	zontal S _i	pacin	g Unit?	Γ						
								_						
Is this	s well an	infill well?												
	ll is yes p ng Unit.	lease prov	ide API if	availab	ole, Ope	rator	Name aı	nd v	vell n	iumbe	r for I	Definii	ng well fo	r Horizontal
API #	:													
Ope	rator Nai	me:				Pro	perty Na	me:	:					Well Number
														K7 06/29/2018

Received by OCD: 12/6/2021 5:24:16 PM

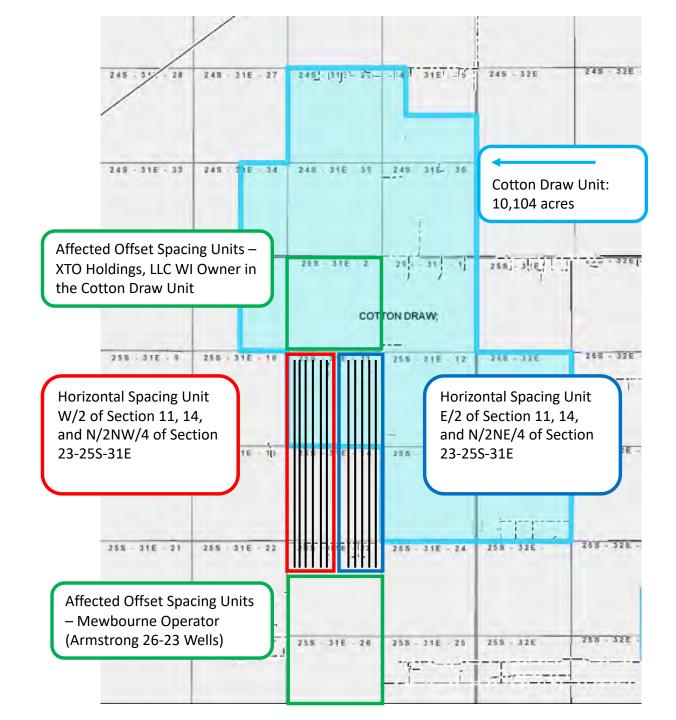


EXHIBIT **E** Overlapping Spacing Sections 23-25S-31E, Eddy County, NM Devon Energy Production Company, L.P.

Company Name	Туре	Address	Certified Mail	Date Mailed	STATUS	Date Received	Green Card Received	STR	Tract	Pool Code	Devon Energy Well
		22777 Springwoods Village						All of Section 2-25S-31E	A, B, C, D, E, F, G, H, I, J,		Mule 23-11 Fed Com 621H, 711H, 731H, 612H, 712H,
XTO Energy, Inc.	WI	Parkway, Spring, TX, 77389	70210950000069888708	12/6/21					K, L, M,N, O, & P		732H, 623H, 713H, 733H, 624H, 714H, & 734H
		500 W. Texas, Ste 1020, Midland,						S/2 N/2 of Section 23-25S-31E	E, F, G, & H		Mule 23-11 Fed Com 621H, 711H, 731H, 612H, 712H,
Mewbourne	Operator	TX, 79701	70210950000069888722	12/6/21							732H, 623H, 713H, 733H, 624H, 714H, & 734H
		620 E. Greene Street, Carlsbad, NM						All of Sections 23,14, and 11	A, B, C, D, E, F, G, H, I, J,		Mule 23-11 Fed Com 621H, 711H, 731H, 612H, 712H,
Bureau of Land Management	Royalty	88220-6292	70210950000069888715	12/6/21				in 25S-31E	K, L, M,N, O, & P		732H, 623H, 713H, 733H, 624H, 714H, & 734H

EXHIBIT

F



ABADIE I SCHILL PC

Colorado New Mexico
Louisiana Texas
Kansas Utah
Nebraska Wyoming
Montana California
Oklahoma North Dakota

December 6, 2021

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

NOTICE TO AFFECTED PERSONS/PARTIES
RE: APPLICATIONS FOR ADMINISTRATIVE APPROVAL OF UNORTHODOX
WELL LOCATIONS

- 1) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Mule 23-11 Fed Com 621H Well located in the N/2 NW/4 of Section 23 and W/2 of Sections 14 and 11, Township 25 South, Range 31 East NMPM, Eddy County, New Mexico.
- 2) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Mule 23-11 Fed Com 711H Well located in the N/2 NW/4 of Section 23 and W/2 of Sections 14 and 11, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.
- 3) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Mule 23-11 Fed Com 731H Well located in the N/2 NW/4 of Section 23 and W/2 of Sections 14 and 11, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.
- 4) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Mule 23-11 Fed Com 612H Well located in the N/2 NW/4 of Section 23 and W/2 of Sections 14 and 11, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.
- 5) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Mule 23-11 Fed Com 712H Well located in the N/2 NW/4 of Section 23 and W/2 of Sections 14 and 11, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.
- 6) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Mule 23-11 Fed Com 732H Well located in the N/2 NW/4 of Section 23 and W/2 of Sections 14 and 11, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.

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To the Parties/Persons this may concern:

Enclosed in this notice are copies of the above referenced applications filed with the New Mexico Conservation Division on the date referenced above. You are being notified in your capacity as a person or party in an adjoining section or unit pursuant to our request for approval of an unorthodox well location of the above-referenced wells. Any objections that you have to one or more of these applications must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the applications filed for administrative approval by the Division. Email correspondence for this matter can be sent to the Division at OCD.Engineer@state.nm.us.

If you have any questions concerning this application, please contact:

Verl Brown Supervising Landman Devon Energy Production Company, L.P. (405) 228-8804 Verl.Brown@dvn.com

If you have no objections to these applications, please sign the waiver as indicated below and return the original to the address listed on this letterhead. Your assistance and cooperation in this matter are appreciated.

Sincerely,

Darin C. Savage

Attorney for Devon Energy Production Company, L.P.

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w	aıv	/er

	hereby waives objection to the above referenced for the Mule 23-11 Fed Com 621H Well located in the ections 14 and 11, Township 25 South, Range 31 East,
Dated:	Signature:
	hereby waives objection to the above referenced for the Mule 23-11 Fed Com 711H Well located in the actions 14 and 11, Township 25 South, Range 31 East,
Dated:	Signature:
	hereby waives objection to the above referenced for the Mule 23-11 Fed Com 731H Well located in the ections 14 and 11, Township 25 South, Range 31 East,
Dated:	Signature:
	hereby waives objection to the above referenced for the Mule 23-11 Fed Com 612H Well located in the ections 14 and 11, Township 25 South, Range 31 East,
Dated:	Signature:

	hereby waives objection to the abov	e referenced
Application for an Unortho	dox Location for the Mule 23-11 Fed Com 712H Well lo	ocated in the
N/2 NW/4 of Section 23 at	nd W/2 of Sections 14 and 11, Township 25 South, Ran	nge 31 East,
NMPM, Eddy County, New	Mexico.	
Data J.	Ciaratana	
Dated:	Signature:	
	hereby waives objection to the abov	e referenced
Application for an Unortho	dox Location for the Mule 23-11 Fed Com 732H Well lo	ocated in the
N/2 NW/4 of Section 23 at	nd W/2 of Sections 14 and 11, Township 25 South, Ran	nge 31 East,
NMPM, Eddy County, New	Mexico.	
Datada	Ciaratana	
Dated:	Signature:	

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

CONDITIONS

Action 65254

CONDITIONS

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	65254
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	12/20/2021