State of New Mexico Energy, Minerals and Natural Resources Department

Dylan M. Fuge, Director

Oil Conservation Division

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Dylan M. Fuge Deputy Secretary (Acting)

Mr. Darin Savage darin@abadieschill.com

NON-STANDARD LOCATION

Administrative Order NSL - 8663

NEW

Devon Energy Production Company, L.P. [OGRID 6137] Cotton Draw Unit Well No. 626H API No. 30-015-52176

Proposed Location

•	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	200 FNL & 135 FWL	D	25	24S	31E	Eddy
First Take Point	100 FNL & 825 FEL	А	26	24S	31E	Eddy
Last Take Point	100 FSL & 825 FEL	Р	02	25S	31E	Eddy
Terminus	20 FSL & 825 FEL	Р	02	25S	31E	Eddy

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
Section 26, T24S, R31E	1913.48	Purple Sage; Wolfcamp (GAS)	98220
Section 35, T24S, R31E			
Section 02, T25S, R31E			

Reference is made to your application received on October 4th, 2023.

You have requested to complete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules R-14262, for the Purple Sage; Wolfcamp (Gas) Pool. Rule 2 governs wells to be located at least 330 feet from the unit outer boundary of a spacing unit and no closer than 10 feet to any quarter – quarter section line.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(6) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of First and Last Take Points referenced above within the described Horizontal Spacing Unit.

Administrative Order NSL – 8663 Devon Energy Production Company, L.P. Page 2 of 2

This well's completed interval is as close as 100 feet to the northern boundary of the horizontal spacing unit. Encroachment will impact the following tract(s).

Section 23, encroachment to the SE/4

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.

The Division understands you are seeking this unorthodox location to increase the wells effective lateral length, enhancing the ultimate recovery of reserves and thereby preventing waste of natural resources within the Wolfcamp formation underlying Section 26 and Section 35 of T24S, R31E and Section 02 of T25S, R31E.

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

Per Subsection B of 19.15.15.13 NMAC, Division approves this unorthodox location.

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

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.

Date: 11/15/23

DYLAN M. FUGE DIRECTOR DMF/lrl

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

District IV 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

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	286431
	Action Type:
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	11/16/2023

Page 3 of 3

.

Action 286431