

Revised March 23, 2017

ID NO. 281933

NSL - 8683

| | | | |
|-----------|-----------|-------|-------------------------------|
| RECEIVED: | REVIEWER: | TYPE: | APP NO: pLEL2330653200 |
|-----------|-----------|-------|-------------------------------|

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
 REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

| | |
|--|------------------------------------|
| Applicant: <u>WPX Energy Permian, LLC</u> | OGRID Number: <u>246289</u> |
| Well Name: <u>Horn 22-27-34 Fed Com 422H Well</u> | API: <u>30-015-49834</u> |
| Pool: <u>Purple Sage; Wolfcamp</u> | Pool Code: <u>98220</u> |

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location – Spacing Unit – Simultaneous Dedication
- ☒ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD
- B. Check one only for [I] or [II]
- [I] Commingling – Storage – Measurement
- ☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
- [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
- ☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A. ☒ Offset operators or lease holders
- B. ☐ Royalty, overriding royalty owners, revenue owners
- C. ☐ Application requires published notice
- D. ☐ Notification and/or concurrent approval by SLO
- E. ☒ Notification and/or concurrent approval by BLM
- F. ☐ Surface owner
- G. ☒ For all of the above, proof of notification or publication is attached, and/or,
- H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
- ☐ Application
Content
Complete

- 3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

October 31, 2023

Darin Savage

Date

Print or Type Name

970-385-4401

/s/ Darin Savage

Phone Number

darin@abadieschill.com

Signature

e-mail Address

SUBMITTED TO THE OIL CONSERVATION DIVISION:

Application of WPX Energy Permian, LLC, for administrative approval of unorthodox well location for its **Horn 22-27-34 Fed Com 422H Well** in the Wolfcamp formation underlying Sections 22, 27 and 34, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico.

TABLE OF CONTENTS

Administrative Checklist for NSL

- Exhibit A: C-102 Form, specifically identifying the NSL (19.15.15.13C)
- Exhibit B: A statement discussing the reasons for the unorthodox location (19.15.15.13C)
- Exhibit C: Tract map outlining the unit location of the unorthodox well with affected area tracts identified (19.15.15.13C)
- Exhibit D: A list of affected persons and parties, with addresses, entitled to notice of the application, along with a copy of the notice letter sent to affected persons and parties (19.15.15.13C)

WPX Energy Permian, LLC



For the Pursuit of Energy

ABADIE | SCHILL PC

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

November 1, 2023

Dylan M. Fuge, 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 Technical Examiner

Re: Application of WPX Energy Permian, LLC, for administrative approval of unorthodox well location for its Horn 22-27-34 Fed Com 422H Well located in Sections 22, 27 and 34, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico.

Dear Director Fuge:

WPX Energy Permian, LLC, ("WPX"), OGRID No. 246289, is seeking administrative approval of an unorthodox well location ("NSL") for the Horn 22-27-34 Fed Com 422H Well (the "422H Well") (API 30-015-49834) to be completed within the Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220) underlying Sections 22, 27 and 34, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico. A C-102 for the Well is attached as Exhibit A. This is a horizontal well that will be drilled as follows:

- Surface Location (SL): 1068' from the South line and 1194' from the East line of Section 15, Township 26 South, Range 29 East;
- Bottom Hole Location (BHL): 1873' from the North line and 330' from the East line of Section 34, Township 26 South, Range 29 East;
- First Take Point (FTP): 100' from the North line and 530' from the East line of Section 22, Township 26 South, Range 29 East;
- Last Take Point (LTP): 1787' from the North line and 330' from the East line of Section 34, Township 26 South, Range 29 East.

WPX has included as Exhibit B a letter explaining why this application is needed. This 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' foot setback requirements

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

("Special Rules"). The completed interval for the proposed well is closer than 330' from the boundary of the spacing unit.

The unorthodox location will encroach towards (1) the E/2 S/2 of Section 15, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico to the north; and (2) the New Mexico/Texas State Line to the south. (WPX has found Mewbourne Oil Company and BPX Operating Company to be the affected parties to the south).

WPX attests that, on or before submission of this application, it provided notice to the affected persons in the adjoining E/2 S/2 of Section 15, Township 26 South, Range 29 East; and adjoining the New Mexico/Texas State Line. Said notice as described satisfies all provisions of NMAC 19.15.4.12A(2); copies of the application and required plat maps were furnished. WPX also provided notice to the Bureau of Land Management to the extent that they own interest with respect to offsetting area. WPX provides herein a sectional map of this area, attached as Exhibit C. Proof of mailing, along with a copy of the notice letter sent to listed affected persons and parties, is attached hereto as Exhibit D. A database search of the OCD website did not find any pooling cases associated with this application.

Your consideration in this matter is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read 'Darin C. Savage', written over a horizontal line.

Darin C. Savage
Attorney for Applicant

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 Road, 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

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|--|--|--|
| ¹ API Number 30-015-49834 | ² Pool Code 98220 | ³ Pool Name Purple Sage Wolfcamp Gas Pool |
| ⁴ Property Code | ⁵ Property Name HORN 22-27-34 FED COM | ⁶ Well Number 422H |
| ⁷ OGRID No. 246289 | ⁸ Operator Name WPX ENERGY PERMIAN, LLC | ⁹ Elevation 2927.9 |

¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|-------------|
| P | 15 | 26 S | 29 E | | 1068 | SOUTH | 1194 | EAST | EDDY |

¹¹ 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 |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|-------------|
| 12 | 34 | 26 S | 29 E | | 1837 | NORTH | 330 | EAST | EDDY |

| | | | |
|--|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 761.71 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order 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.

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--------------------|--|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|---|
| | <p>HORN 22-27-34 FED COM 422H EL. = 2927.9</p> <p>GEODETIC COORDINATES NAD 83 NMSP EAST SURFACE LOCATION N. = 373860.42 E. = 654869.12 LAT. = 32.0377391°N LONG. = 103.9669392°W</p> <p>KICK OFF POINT CALLS _____ N. = _____ E. = _____ LAT. = _____ LONG. = _____</p> <p>FIRST TAKE POINT (PPP 1) 100' FNL, 530' FEL N. = 376462.89 E. = 655530.40 LAT. = 32.0344410°N LONG. = 103.9648183°W</p> <p>LAST TAKE POINT 1787' FNL, 330' FEL N. = 364070.80 E. = 655510.74 LAT. = 32.0003761°N LONG. = 103.9650180°W</p> <p>BOTTOM OF HOLE 1837' FSL, 330' FEL N. = 364020.81 E. = 655510.88 LAT. = 32.0002386°N LONG. = 103.9650181°W</p> <p>PPP 2 2637' FNL, 542' FEL N. = 373868.20 E. = 655526.31 LAT. = 32.0273634°N LONG. = 103.9648598°W</p> <p>PPP 3 0' FSL, 560' FEL N. = 364020.81 E. = 655522.06 LAT. = 32.0199951°N LONG. = 103.9649030°W</p> <p>PPP 4 2666' FNL, 382' FEL N. = 367199.12 E. = 655515.70 LAT. = 32.0089756°N LONG. = 103.9649676°W</p> <p>PPP 5 0' FSL, 324' FEL N. = 364020.81 E. = 655513.58 LAT. = 32.0053081°N LONG. = 103.9649891°W</p> <p>PPP 6 1189' FNL, 327' FEL N. = 364670.99 E. = 655511.88 LAT. = 32.0020259°N LONG. = 103.9650084°W</p> <p>CORNER COORDINATES TABLE NAD 83 NMSP EAST</p> <table border="1"> <tr> <td>A - N. = 381920.64</td> <td>E. = 656056.84</td> </tr> <tr> <td>B - N. = 381960.33</td> <td>E. = 653363.46</td> </tr> <tr> <td>C - N. = 376657.84</td> <td>E. = 653340.92</td> </tr> <tr> <td>D - N. = 371363.59</td> <td>E. = 653380.99</td> </tr> <tr> <td>E - N. = 366085.87</td> <td>E. = 653175.89</td> </tr> <tr> <td>F - N. = 363961.71</td> <td>E. = 653181.94</td> </tr> <tr> <td>G - N. = 363972.11</td> <td>E. = 655840.95</td> </tr> <tr> <td>H - N. = 365834.55</td> <td>E. = 655835.64</td> </tr> <tr> <td>I - N. = 368499.89</td> <td>E. = 655958.09</td> </tr> <tr> <td>J - N. = 371167.17</td> <td>E. = 656080.31</td> </tr> <tr> <td>K - N. = 373856.87</td> <td>E. = 656068.31</td> </tr> <tr> <td>L - N. = 376540.01</td> <td>E. = 656060.05</td> </tr> <tr> <td>M - N. = 379229.78</td> <td>E. = 656066.87</td> </tr> </table> <p>LEGEND --- SECTION LINE --- QUARTER LINE --- LEASE LINE --- WELL PATH</p> | A - N. = 381920.64 | E. = 656056.84 | B - N. = 381960.33 | E. = 653363.46 | C - N. = 376657.84 | E. = 653340.92 | D - N. = 371363.59 | E. = 653380.99 | E - N. = 366085.87 | E. = 653175.89 | F - N. = 363961.71 | E. = 653181.94 | G - N. = 363972.11 | E. = 655840.95 | H - N. = 365834.55 | E. = 655835.64 | I - N. = 368499.89 | E. = 655958.09 | J - N. = 371167.17 | E. = 656080.31 | K - N. = 373856.87 | E. = 656068.31 | L - N. = 376540.01 | E. = 656060.05 | M - N. = 379229.78 | E. = 656066.87 | <p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> |
| | A - N. = 381920.64 | E. = 656056.84 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B - N. = 381960.33 | E. = 653363.46 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C - N. = 376657.84 | E. = 653340.92 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| D - N. = 371363.59 | E. = 653380.99 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E - N. = 366085.87 | E. = 653175.89 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| F - N. = 363961.71 | E. = 653181.94 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| G - N. = 363972.11 | E. = 655840.95 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| H - N. = 365834.55 | E. = 655835.64 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| I - N. = 368499.89 | E. = 655958.09 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| J - N. = 371167.17 | E. = 656080.31 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| K - N. = 373856.87 | E. = 656068.31 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| L - N. = 376540.01 | E. = 656060.05 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| M - N. = 379229.78 | E. = 656066.87 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>SEPTEMBER 5, 2023</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: </p> <p>Certificate Number: 12797</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | |

EXHIBIT
A

Intent ☐ As Drilled ☐

| | | |
|---|---|---------------------|
| API # | | |
| Operator Name: WPX ENERGY PERMIAN, LLC | Property Name: HORN 22-27-34 FED COM | Well Number 422H |

Kick Off Point (KOP)

| | | | | | | | | | |
|----------|---------|----------|-------|-----|-----------|----------|------|----------|--------|
| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
| Latitude | | | | | Longitude | | | | NAD |

First Take Point (FTP)

| | | | | | | | | | |
|------------------------|---------------|-----------------|--------------|-----|--------------------------|-------------------|-------------|------------------|----------------|
| UL A | Section 22 | Township 26S | Range 29E | Lot | Feet 100 | From N/S NORTH | Feet 530 | From E/W EAST | County EDDY |
| Latitude 32.0344410 | | | | | Longitude 103.9648183 | | | | NAD 83 |

Last Take Point (LTP)

| | | | | | | | | | |
|------------------------|---------------|-----------------|--------------|-----------|--------------------------|-------------------|-------------|------------------|----------------|
| UL | Section 34 | Township 26S | Range 29E | Lot 12 | Feet 1787 | From N/S NORTH | Feet 330 | From E/W EAST | County EDDY |
| Latitude 32.0003761 | | | | | Longitude 103.9650180 | | | | NAD 83 |

Is this well the defining well for the Horizontal Spacing Unit? ☐Is this well an infill well? ☐

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

| | | |
|----------------|----------------|-------------|
| API # | | |
| Operator Name: | Property Name: | Well Number |

KZ 06/29/2018



Devon Energy Production Company LP
333 West Sheridan Avenue
Oklahoma City, OK 73102

405 552 8002 Phone
www.devonenergy.com

September 21, 2023

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

RE: Application for Non-Standard Location
Engineering Statement
WPX Energy Permian, LLC
Horn 22-27-34 Fed Com 411H, 412H, 421H, and 422H (the "Wells")
E/2 of Section 22, T26S-R29E
E/2 of Section 27, T26S-R29E
E/2 of Section 34, T26S-R29E
Eddy County, New Mexico

Dear Mr. Lowe:

WPX Energy Permian, LLC ("WPX") respectfully requests administrative approval of a non-standard location for the Horn 22-27-34 Fed Com Wells referenced above. The Wells are in the Purple Sage; Wolfcamp Pool (Pool Code 98220) with first and last take points planned at roughly the following locations:

| Well | FTP | LTP |
|----------------------------|----------|------------|
| Horn 22-27-34 Fed Com 411H | 100' FNL | 1,963' FNL |
| Horn 22-27-34 Fed Com 412H | 100' FNL | 1,845' FNL |
| Horn 22-27-34 Fed Com 421H | 100' FNL | 1,904' FNL |
| Horn 22-27-34 Fed Com 422H | 100' FNL | 1,787' FNL |

It is WPX's responsibility as a prudent operator to minimize reserves left in the ground. Decreasing the first and last tank points from 330' will allow for increase in potential completed horizontal lateral, thereby increasing the ultimate recovery of reserves and thereby preventing waste of natural resources.

Respectfully,

WPX Energy Permian, LLC

Nikki Ferradas
Reservoir Engineer

**EXHIBIT
B**

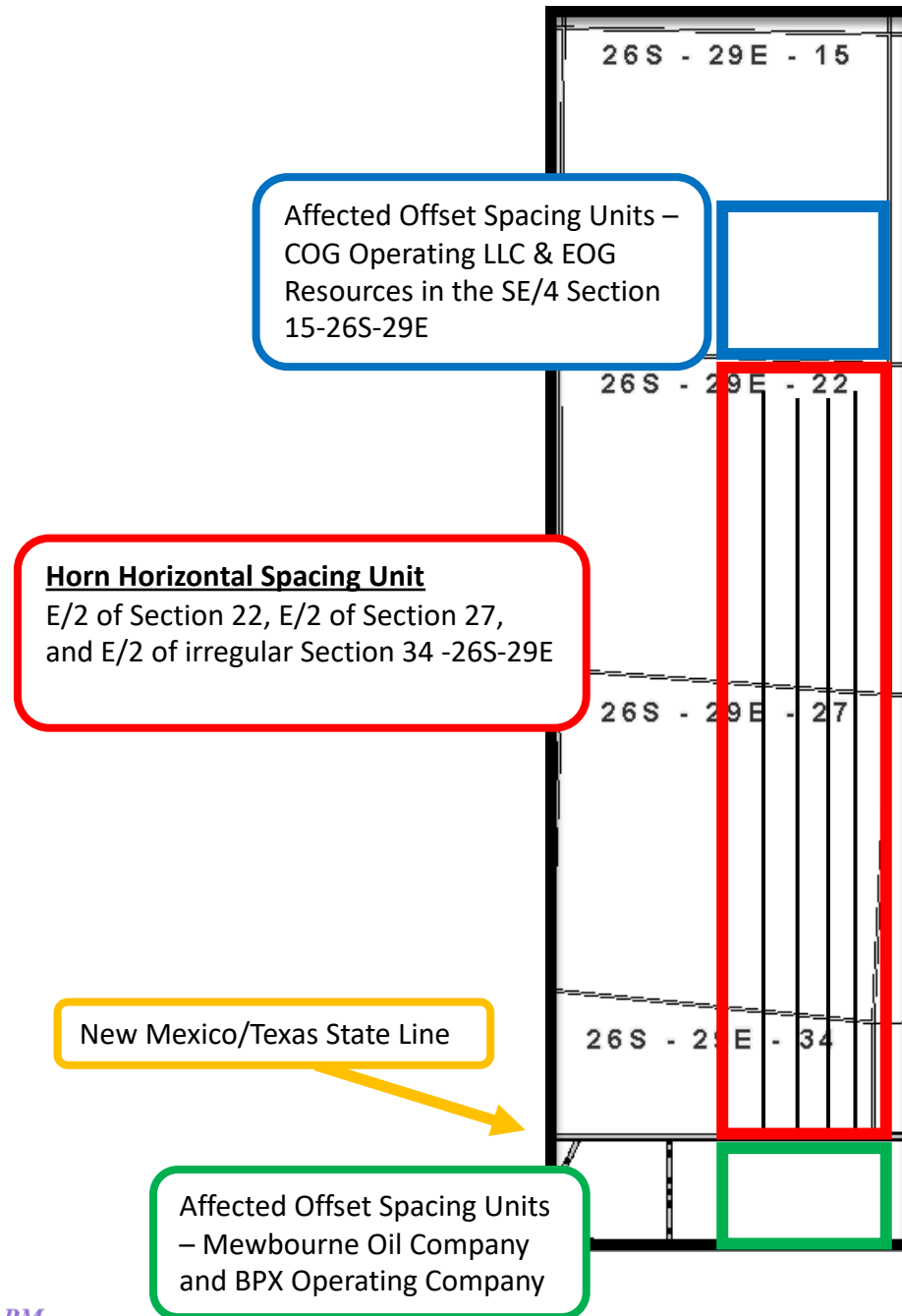


EXHIBIT
C



| ReferenceNumber | Name1 | Name2 | Address1 | Address2 | Address3 | City | State | Zip |
|-----------------|---------------------------|-------|----------------------|------------|----------|----------|-------|-------|
| 4188.57 | Mewbourne Oil Company | | 500 W. Texas Ave. | Suite 1020 | | Midland | TX | 79701 |
| 4188.57 | BPX Operating Company | | 1700 Platte St. | Ste. 150 | | Denver | CO | 80202 |
| 4188.57 | COG Operating LLC | | 600 W. Illinois Ave. | | | Midland | TX | 79701 |
| 4188.57 | EOG Resources | | 5509 Champions Drive | | | Midland | TX | 79706 |
| 4188.57 | Bureau of Land Management | | 620 E. Greene Street | | | Carlsbad | NM | 88220 |



For the Pursuit of Energy

ABADIE | SCHILL PC

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

November 1, 2023

**VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

**NOTICE TO AFFECTED PERSONS/PARTIES
RE: APPLICATION FOR ADMINISTRATIVE
APPROVAL OF UNORTHODOX WELL LOCATION**

Re: Application of WPX Energy Permian, LLC, for administrative approval of unorthodox well location for its Horn 22-27-34 Fed Com 422H Well located in the Wolfcamp formation underlying Sections 22, 27 and 34, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico.

To the Parties/Persons this may concern:

Enclosed in this notice are copies of the above referenced application 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 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.

This notice for the above well had been previously sent, but we are sending this additional notice and application to clarify that WPX Energy Permian, LLC, as a subsidiary of Devon Energy Corporation, is the operator and applicant.

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

Ryan Cloer
Landman
WPX Energy Permian, LLC
(405) 228-2448
ryan.cloer@dvn.com

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

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,

A handwritten signature in black ink, appearing to read 'Darin C. Savage', written over a horizontal line.

Darin C. Savage

Attorney for WPX Energy
Permian, LLC

Waiver

_____ hereby waives objection to the above referenced Application for an Unorthodox Location for the Horn 22-27-34 Fed Com 422H Well located in Sections 22, 27 and 34, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico.

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
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

Action 281933

CONDITIONS

| | |
|---|--|
| Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102 | OGRID: 6137 |
| | Action Number: 281933 |
| | Action Type: [UF-NSL] Non-Standard Location (NSL) |

CONDITIONS

| | | |
|------------|-----------|----------------|
| Created By | Condition | Condition Date |
| llowe | None | 11/2/2023 |