

Revised March 23, 2017

ID NO. 293831

NSL - 8691

RECEIVED: 12/12/23	REVIEWER:	TYPE:	APP NO: pLEL2334753215
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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: Devon Energy Production Company, L.P. **OGRID Number:** 6137
Well Name: North Thistle 3-34 State Com 503H Well **API:** 30-025-51443
Pool: Brinninstool; Bone Spring **Pool Code:** 7320

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.

November 16, 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 Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its **North Thistle 3 34 State Com 503H Well** located in the W/2 of Section 34, Township 22 South, Range 33 East and Lots 3 and 4, S/2 NW/4, and the SW/4 (the equivalent of the W/2) of Section 3, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico.

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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: The New Mexico State Land Office, with address, listed as an affected party with a copy of the notice letter.

Devon Energy Production Company, L.P.



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

December 12, 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 Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its North Thistle 3-34 State Com 503H Well located in Lots 3 & 4, the S/2 NW/4, and SW/4 (the equivalent of the W/2) of Section 3, Township 23 South, Range 33 East and the W/2 Section 34, Township 22 South, Range 33 East, NMPM, Lea County, New Mexico.

Dear Director Fuge:

Devon Energy Production Company, L.P., ("Devon"), OGRID No. 6137, is seeking administrative approval of an unorthodox well location ("NSL") for the North Thistle 3-34 State Com 503H Well (the "503H Well") (API No. 30-025-51443) to be completed within the Brinninstool; Bone Spring (Oil) Pool (Pool Code 7320) underlying Lots 3 & 4, the S/2 NW/4, and SW/4 (the equivalent of the W/2) of Section 3, Township 23 South, Range 33 East, and the W/2 of Section 34, Township 22 South, Range 33 East, NMPM, Lea 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): 534' from the South line and 1561' from the West line of Section 3, Township 23 South, Range 33 East;
- Bottom Hole Location (BHL): 20' from the North line and 2541' from the West line of Section 34, Township 22 South, Range 33 East;
- First Take Point (FTP): 100' from the South line and 2541' from the West line of Section 3, Township 23 South, Range 33 East;
- Last Take Point (LTP): 100' from the North line and 2541' from the West line of Section 34, Township 22 South, Range 33 East.

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

Devon has included as Exhibit B, a letter explaining why this application is needed. This well will produce from the Brinninstool; Bone Spring Pool (Pool Code 7320). The statewide rules establish 330' foot setback requirements. The completed interval for the proposed well is 94.72' from the eastern boundary of the spacing unit. However, since the ownership is uniform and Devon owns 100%, the setbacks apply only to the outer boundaries of the area of uniform ownership pursuant to 19.15.16.15.C(7) NMAC.

The unorthodox location will encroach towards the (1) Lots 1 & 2, the S/2 NE/4, and E/4 (the equivalent of the E/2) of Section 3, Township 23 South, Range 33 East; and (2) the E/2 of Section 34, Township 22 South, Range 33 East.

Devon attests that the State owns 100% of the minerals, and Devon owns 100% of the working interest in the E/2 and W/2 of both Section 3, Township 23 South, Range 33 East and Section 34, Township 22 South, Range 33 East. Because the area is uniform in ownership, no notice is required for this application pursuant to 19.15.16.15.C(7) NMAC. Because state leases are involved in the subject lands, Devon has provided notice to the New Mexico State Land Office as a courtesy. *See* Exhibit D. Devon provides herein a sectional map of this area, attached as Exhibit C. There is no pooling case associated with this application because the State owns 100% of the mineral interest, and Devon owns 100% of the working interest in both Section 3, Township 23 South, Range 33 East and Section 34, Township 22 South, Range 33 East.

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 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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-51443	Pool Code 7320	Pool Name BRINNINSTOOL;BONE SPRING
Property Code 333986	Property Name NORTH THISTLE 3-34 STATE COM	Well Number 503H
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 3594.3'

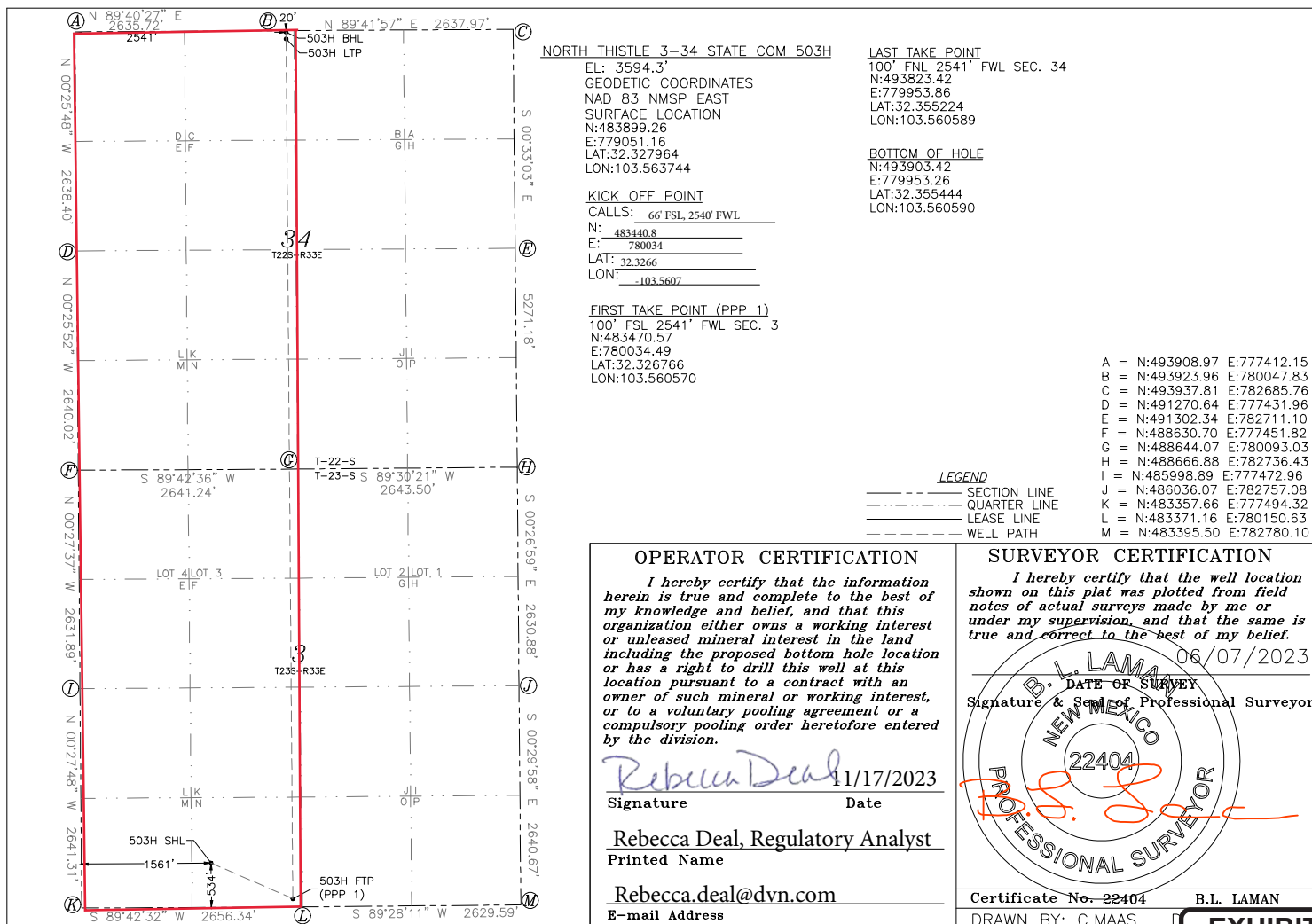
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	3	23-S	33-E		534	SOUTH	1561	WEST	LEA

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
C	34	22-S	33-E		20	NORTH	2541	WEST	LEA
Dedicated Acres 639.73	Joint or Infill	Consolidation Code	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



Intent ☒ As Drilled ☐

API #		
Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP.	Property Name: NORTH THISTLE 3-34 STATE COM	Well Number 503H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
	3	23S	33E		66	FSL	2540	FWL	LEA
Latitude 32.3266					Longitude -103.5607			NAD 83	

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
N	3	23-S	33-E		100	SOUTH	2541	WEST	LEA
Latitude 32.326766					Longitude 103.560570			NAD 83	

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
C	34	22-S	33-E		100	NORTH	2541	WEST	LEA
Latitude 32.355224					Longitude 103.560589			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: DEVON ENERGY PRODUCTION COMPANY, LP.	Property Name: NORTH THISTLE 3-34 STATE COM	Well Number 2H

KZ 06/29/2018



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

405 228 8788Phone
www.devonenergy.com

November 8, 2023

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

RE: Application for Non-Standard Location
Engineering Statement
Devon Energy Production Company, L.P.
North Thistle 3 34 State Com 503H
W/2 of Sections 34 of 22S-33E and 3 of 23S-33E
Lea County, New Mexico

Dear Mr. Lowe,

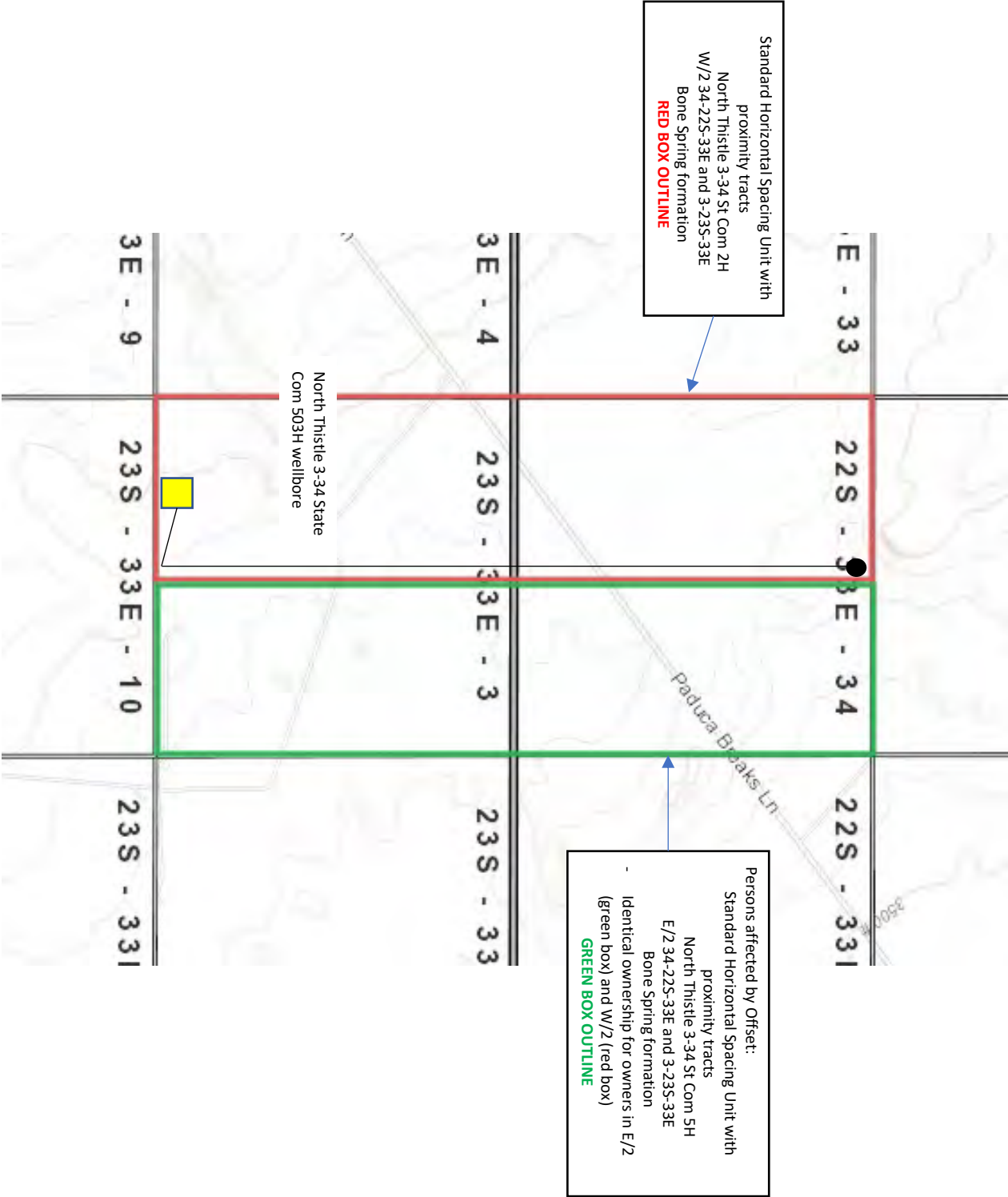
Devon Energy Production Company, L.P. ("Devon") respectfully requests approval of a non-standard location for the North Thistle 3 34 State Com 503H referenced above by decreasing the distance of the lateral from 330 feet to 94.72 feet from the eastern boundary of the spacing unit. The well is located in the Bone Spring Brinningstool (Pool Code 7320). It is Devon's responsibility as a prudent operator to locate the lateral for maximum production and to minimize reserves left in the ground. Based on Devon's anticipated offset operations and overall spacing and staggering development plan within Sections 34-22S-33E and 3-23S-33E, the proposed location for the 503H is the ideal location. The working interest and mineral ownership in the E/2 spacing unit of Sections 3 & 34 is identical to the ownership in the W/2 spacing unit, which is the offset spacing unit where the well encroaches, and therefore, Devon is in a position to locate the lateral in a manner to increase ultimate recovery of reserves and thereby prevent waste of natural resources, without negatively impacting any of the offset owners.

Sincerely,

A handwritten signature in blue ink, appearing to read "Donovan Armistead", with a long horizontal flourish extending to the right.

Donovan Armistead
Reservoir Engineer

EXHIBIT
C



ReferenceNumber	Name1	Name2	Address1	Address2	Address3	City	State	Zip	ReturnReceiptType
4217.5	New Mexico State Land Office		310 Old Santa Fe Trail			Santa Fe	NM	87501	RRE





For the Pursuit of Energy

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

December 12, 2023

**VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

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

Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its North Thistle 3-34 State Com 503H Well located in Lots 3 & 4, the S/2 NW/4, and SW/4 (the equivalent of the W/2) of Section 3, Township 23 South, Range 33 East and the W/2 Section 34, Township 22 South, Range 33 East, NMPM, Lea County, New Mexico.

To the New Mexico State Land Office ("NMSLO"):

Enclosed in this notice are copies of the above referenced application filed with the New Mexico Conservation Division on the date referenced above.

Because state leases are involved and the NMSLO has a royalty interest in the subject lands, the NMSLO is being notified of this NSL application. Any objections that you have to one or more of these applications should 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@emnrd.nm.gov.

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

David Broussard
Landman – Delaware Basin
Devon Energy Production Company, L.P.
(405) 228-8788
David.Broussard@dvn.com

Your consideration is much appreciated.

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

Sincerely,

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

Darin C. Savage

Attorney for Devon Energy
Production Company, L.P.

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 293831

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 293831
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	12/13/2023