State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Dylan M. Fuge Deputy Secretary **Dylan M. Fuge**, Division Director (Acting) **Oil Conservation Division**



Mr. Darin Savage darin@abadieschill.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 8704

Devon Energy Production Company, L.P. [OGRID 6137] Atlatl 11 10 Federal Com Well No. 624H API No. 30-015-PENDING

Reference is made to your application received on January 9th, 2024.

Proposed Location

| - | Footages | Unit/Lot | Sec. | Twsp | Range | County |
|------------------|--------------------|----------|------|------|-------|--------|
| Surface | 1785 FSL & 405 FEL | Ι | 11 | 22S | 27E | Eddy |
| First Take Point | 660 FSL & 100 FEL | Р | 11 | 22S | 27E | Eddy |
| Last Take Point | 660 FSL & 100 FWL | Μ | 10 | 22S | 27E | Eddy |
| Terminus | 660 FSL & 20 FWL | М | 10 | 22S | 27E | Eddy |

Proposed Horizontal Gas Units

| Description | Acres | Pool | Pool Code |
|----------------|-------|----------------------------|-----------|
| S/2 Section 11 | 640 | Purple Sage; Wolfcamp, Gas | 98220 |
| S/2 Section 10 | | | |

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 and 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 completed intervals of horizontal wells are to be located no closer than 330 feet to the exterior boundary of a standard 320 - acre **gas** spacing unit.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) 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.

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

Section 12, encroachment to the SW/4 Section 09, 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.

Division understands you are seeking this unorthodox location to increase the ultimate recovery of reserves within the Wolfcamp formation underlying S/2 of Section 11 and the S/2 of Section 10, and thereby preventing waste.

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: <u>2</u>/19/24

DYLAN M. FUGE Division Director (Acting) DMF/lrl

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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 | 315794 |
| | Action Type: |
| | [IM-SD] Admin Order Support Doc (ENG) (IM-AAO) |

CONDITIONS

| Created By | | Condition Date |
|---------------|------|-------------------|
| llowe | None | 2/19/2024 |

CONDITIONS

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Action 315794