State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Melanie A. Kenderdine Deputy Secretary – Designate

Ben Shelton Deputy Secretary (Acting) **Gerasimos "Gerry" Razatos** Division Director (Acting) Oil Conservation Division



Paula M. Vance pmvance@hollandhart.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 8854

Devon Energy Production Company, L.P. [OGRID 6137] Bent Tree 9 11 State Com Well No. 625H API No. 30-015-55723

Reference is made to your application received on January 7th, 2025.

Proposed Location

-	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	890 FSL & 264 FEL	Р	08	21S	27E	Eddy
First Take Point	1640 FSL & 100 FWL	L	09	21S	27E	Eddy
Last Take Point	1640 FSL & 2574 FWL	Κ	11	21S	27E	Eddy
Terminus	1640 FSL & 2654 FWL	Κ	11	21S	27E	Eddy

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
S/2 of Section 09	800	Alacran Hills; Wolfcamp (Gas)	70070
S/2 of Section 10			
SW/4 of Section 11			

You have requested to drill this horizontal well at an unorthodox well location described above in the referenced pool or formation. 19.15.16.15(B)(3)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal **gas** well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 660 feet for a **gas** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal

Administrative Order NSL – 8854 Devon Energy Production Company, L.P. Page 2 of 2

well shall be no closer than 330 feet for a **gas** in the horizontal plane, to any outer boundary of the horizontal 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/or Last Take Points referenced above within the described Horizontal Spacing Unit.

This well's completed interval is as close as 100 feet to the western and 66 feet to the eastern edge of the proposed horizontal spacing unit. Encroachment will impact the following tract(s).

Section 08, encroachment to the SE/4 Section 11, 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 avoid causing wasted resources and reducing production from current and future development within the Wolfcamp formation underlying S/2 of Section 09, S/2 of Section 10 and the SW/4 of Section 11. Thereby preventing waste within the formation all while protecting the correlative rights of affected persons in the encroached tracts.

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.

Gerasimos Razatos Division Director (Acting) GR/lrl

Date: 2/6/2025

Received by OCD: 1/7/2025 3:17:28 PM

NSL - 8854

ID NO. 418149	Γ	NSL - 0034		,,,,,,,,, _
RECEIVED: 01/07/25	REVIEWER:	TYPE:	APP NO:	LEL2501474747
	- Geologia	ABOVE THIS TABLE FOR OCD DIVISION CO OIL CONSERVATI cal & Engineering Bi ancis Drive, Santa F	ON DIVISION ureau -	REW REW
	T IS MANDATORY FOR AL	RATIVE APPLICATION	NS FOR EXCEPTIONS T	
Applicant: <u>Devon Energy Proc</u> Well Name: <u>Bent Tree 9-11 S</u> Pool: <u>Alacran Hills; Wolfcamp G</u>	duction Company, L.P. State Com #625H well	QUIRE PROCESSING AT THE DIVI	OGRI API: <u>30</u>	D Number: <u>6137</u> 0-015-55723 Code: <u>70070</u>
 TYPE OF APPLICATIO A. Location – Spa NSL B. Check one onl 	DN: Check those cing Unit – Simult □ NSP@ ly for [1] or [11] ng <u>– Storage – M</u>	INDICATED BELOW which apply for [A] taneous Dedication ROJECT AREA) NSP(PF		The type of application
 [II] Injection – WFX 2) NOTIFICATION REOL A. Offset opera B. Royalty, overa C. Application D. Notification 	Disposal – Pressu PMX SV JIRED TO: Check ators or lease hole erriding royalty ov requires published and/or concurred	ure Increase – Enhanc WD IPI EOR those which apply. ders wners, revenue owne ed notice ent approval by SLO	ced Oil Recove	FOR OCD ONLY FOR OCD ONLY Notice Complete Application Content Complete
 F. Surface own G. For all of the H. No notice re 3) CERTIFICATION: I her administrative approximation 	ner e above, proof o equired reby certify that oval is accurate a action will be tal		itted with this a best of my kno	ned, and/or, application for

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

Paula M. Vance

Print or Type Name

anth

Signature

January 7, 2025 Date

505-954-7286

Phone Number

pmvance@hollandhart.com e-mail Address

Released to Imaging: 2/10/2025 10:18:21 AM



Paula M. Vance Associate Phone (505) 954-7286 PMVance@hollandhart.com

January 7, 2025

VIA ONLINE FILING

Gerasimos Razatos, Acting Division Director Oil Conservation Division Energy, Minerals and Natural Resources Department 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: Devon Energy Production Company, L.P. Request for Administrative Approval of an Unorthodox Well Location

Bent Tree 9-11 State Com #625H well S/2 of Sections 9 and 10 and the SW/4 of Section 11, Township 21 South, Range 27 East, Eddy County, New Mexico Alacran Hills; Wolfcamp Gas Pool [70070] API No. 30-015-55723

Dear Mr. Razatos:

Devon Energy Production Company, L.P. ("Devon") (OGRID No. 6137), pursuant to Division Rules 19.15.16.15.C(6) and 19.15.15.13 NMAC and applicable rules governing acreage and well location requirements for the Alacran Hills; Wolfcamp Gas Pool [70070], seeks administrative approval of an unorthodox well location for its Bent Tree 9-11 State Com #625H well (API No. 30-015-55723), in an 800-acre, more or less, spacing unit underlying the S/2 of Sections 9 and 10 and the SW/4 of Section 11, Township 21 South, Range 27 East, Eddy County, New Mexico.

The location for the proposed Bent Tree 9-11 State Com #625H well is as follows:

- Surface location: 890' FSL and 264' FEL (Unit P) of Section 8
- First take point: 1,640' FSL and 100' FWL (Unit L) of Section 9
- Last take point: 1,640' FSL and 2,574' FWL (Unit K) of Section 11
- Bottom location: 1,640' FSL and 2,654' FWL (Unit K) of Section 11

Since this acreage is governed by the Division's statewide rules, the proposed first and last take points for this well will be unorthodox because they are closer than the standard offsets to the eastern and western boundaries of the spacing unit—thus, encroaching on Mewbourne Oil Company's Cholula spacing unit to the east and their Screaming Eagle spacing units to the west.

T 505.988.4421 F 505.983.6043 110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849 Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208 www.hollandhart.com

Alaska	Montana
Colorado	Nevada
Idaho	New Me

Utah Washington, D.C. Wyoming **Exhibit A** is an Engineering Statement explaining why approval of the application is necessary.

Exhibit B is a Form C-102 showing the **Bent Tree 9-11 State Com #625H** well encroaches on the units to the east in the SE/4 of Section 11 and S/2 of Section 12, T21S-R27E (Mewbourne's Cholula HSU), as well as to the west in Lots 3-4, E/2 SW/4, and SE/4 (S/2 equivalent) of irregular Section 7 and the S/2 of Section 8, T21S-R27E (Mewbourne's Screaming Eagles HSUs).

Exhibit C is a plat for the subject area that shows the proposed Bent Tree 9-11 State Com #625H well in relation to the adjoining units to the east and west. Exhibit B also includes an ownership list for the affected HSUs to the east and west, showing that the spacing units are both operated by Mewbourne Oil Co. ("Mewbourne"). In addition, the exhibit identifies that these offsetting spacing units include state and federal leases. Accordingly, the "affected persons"¹ are Mewbourne, the New Mexico State Land Office ("SLO"), and the Bureau of Land Management ("BLM").

Exhibit D is a spreadsheet listing all affected persons Devon provided notice and includes tracking information demonstrating that each of the affected persons was sent a copy of this application with all attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application. The following are the affected persons:

Туре	Affected Party	Offsetting Acreage
Operator	Mewbourne	SE/4 of Section 11 & S/2 of Section 12 (Cholula HSU); and Lots 3-4, E/2 SW/4, & SE/4 (S/2 equivalent) of irregular Section 7 & the S/2 of Section 8 (Screaming Eagles HSUs)
Federal Mineral Interest	Bureau of Land Management	S/2 of 12
State Mineral Interest	New Mexico State Land Office	SE/4 of Section 11; and Lots 3-4, E/2 SW/4, & SE/4 (S/2 equivalent) of irregular Section 7 and the S/2 of Section 8

Montana Nevada New Mexico

Utah Washington, D.C. Wyoming

¹ See 19.15.2.7.A(8) NMAC [defining "affected persons" as, "in the absence of an operator, or with respect to an application wherein the operator of the spacing unit or identified tract is the applicant, each working interest owner"] and 19.15.4.12.A(2)(a) NMAC.

Your attention to this matter is appreciated.

Sincerely,

Paktur

Paula M. Vance ATTORNEY FOR DEVON ENERGY PRODUCTION COMPANY, L.P.

T 505.988.4421 F 505.983.6043 110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849 Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208 www.hollandhart.com

Montana Nevada New Mexico Utah Washington, D.C. Wyoming

.



Devon Energy Production Company LP 333 West Sheridan Avenue Oklahoma City, OK 73102 405 228 4214 Phone www.devonenergy.com

November 18, 2024

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
Devon Energy Production Company, L.P.
Bent Tree 9-11 State Com 625H
S/2 of Section 9, S/2 of Section 10 & SW/4 of Section 11, T21S-R27E
Eddy County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, LP ("Devon") respectfully requests administrative approval of non-standard location for the Bent Tree 9-11 State Com 625H well referenced above. The well is in the Alacran Hills; Wolfcamp (Gas) Pool (Pool Code 70070). Devon proposes to decrease the first and last tank points from 330 feet to less than 100 feet, which will increase the completed horizontal lateral and the ultimate recovery of reserves. Therefore, approval of this non-standard location is necessary to avoid causing wasted resources and reducing production from current and future well development in the area.

Respectfully,

Devon Energy Production Company, L.P.

Keevin Barnes Reservoir Engineer



EXHIBIT

В

<u>C-1</u>			00.		ls & Natu	ıral	ew Mexico Resources Depa ON DIVISI			Rev	ised July, 2024
	lectronically Permitting								Submittal	Initial Submittal	
									Type:	Amended Repor	t
										As Drilled	
					ELL LOCA		N INFORMATIO	N			
API N	umber		Pool Cod 70070	e		Po	ool Name Alacran Hills;	Wolfcam	p (Gas)		
Prope	rty Code		Property	Name	BENT TH	REE	9-11 STATE CO		1 ()	Well Number 625H	
OGRIE	No. 6137		Operator		N ENERGY	PRO	DUCTION COMPA	ANY, L.P.		Ground Level 3248.6'	Elevation
Surfa	e Owner:	🛛 State 🗆	Fee □Trib	al 🗆 Fed	leral		Mineral Owner:	⊠State	□Fee □1		
					9						
UL	Section	Township	Range	Lot			ce Location Ft. from E/W	Latitude		Longitude	County
P	8	21-S	27-E	Lot	890' 8		264' E	32.489		104.204287	EDDY
-	_						Hole Location				
UL	Section	Township	Range	Lot	Ft. from			Latitude		Longitude	County
K	11	21-S	27-E		1640'	S	2654'W	32.492	031	104.160507	EDDY
Dedicat	ed Acres	Infill or Def	ining Well	Defining	Well API O	verla	pping Spacing Uni	t (Y/N)	Consolid	ation Code	
800		DEFININ	-	6		NO					
Order	Numbers	Pending - N	ISL; R-23	417	W	Vell s	etbacks are under	Common	Ownersh	ip: □Yes ⊠No	
					Kiels	Off	Point (KOP)				
UL	Section	Township	Range	Lot	Ft. from		, ,	Latitude		Longitude	County
L	9	21-S	27-Е	200	1641' S	'	56' W	32.4919		104.2033	EDDY
L	,	215	27 L				e Point (FTP)			10.1.2000	2221
UL	Section	Township	Range	Lot	Ft. from		, ,	Latitude		Longitude	County
L	9	21-S	27–E		1640'	\mathbf{S}	100'W	32.491	985	104.203103	EDDY
					Last	Tak	e Point (LTP)				
UL	Section	Township	Range	Lot	Ft. from			Latitude		Longitude	County
K	11	21-S	27-E		1640'	S	2574' W	32.492	030	104.160766	EDDY
					Spacir	ng Ur H	nit Type Horizon ORIZONTAL	tal Verti	cal G	round Floor Ele	vation:
I hereby of my kr organiza including location mineral heretofor If this we consent of interest i	owledge and b tion either own g the proposed pursuant to a c interest, or to a re entered by t ell is a horizon of at least one n each tract (in	e information con pelief, and, if the as a working inter bottom hole loc: contract with an o voluntary pooli	well is a vertic rest or unlease ation or has a r owner of a wor ng agreement of r certify that th of a working in or formation) in	eal or directic d mineral int ight to drill t king interest or a compulse is organization terest or unle n which any	onal well, that the terest in the land his well at this or unleased ory pooling ord on has received eased mineral part of the well	his I d c ler l the l's	URVEYOR CERTIFIC hereby certify that the we of actual surveys made by correct to the best of my be	ll location sho me or under s		nd that the same is true $R^{RT} R \cdot L$ $R^{RT} R \cdot L$ $R^$	DEHOL
division.	ture	Thamas	Date	0/21/24	- <u>-</u>		ignature and Seal	of Profe	ssional S		SUR
Print	ed Name Shandee	Thomas				Ce	ertificate Number	Date of	Survey		
Emai	Address	111011145					23261	05/20	24		
Sh	andee.The	omas@dvn.	com								

ACREAGE DEDICATION PLATS

EL:3248.6

N:541989.29/E:581126.11 LAT:32.489924/LON:104.204287

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.



LAT:32.491985/LON:104.203103

LAT:32.492030/LON:104.160766

LAT:32.492031/LON:104.160507

G= N:546414.30 E:594660.07 H= N:541134.84 E:594636.14

I= N:541119.31 E:591975.61 J= N:541088.86 E:589313.63 K= N:541059.53 E:586651.42 L= N:541039.53 E:586651.42 L= N:541079.59 E:584020.20 M= N:541100.14 E:581389.65 N= N:541090.83 E:578746.21 O= N:543749.48 E:581390.93 P= N:543718.70 E:586662.16 Q= N:543773.50 E:591965.44

Page 9 of

Bent Tree 9-11 State Com 625H – NSL Offset Tract Map



EXHIBIT C

Mewbourne Oil Company	500 West Texas, Suite 1020	Midland	ТХ	79701
New Mexico State Land Office	310 Old Santa Fe Trail	Santa Fe	NM	87501
Bureau of Land Management	620 E. Greene Street	Carlsbad	NM	88220-6292





Paula M. Vance Associate Phone (505) 954-7286 PMVance@hollandhart.com

December 18, 2024

<u>VIA CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

TO: ALL AFFECTED PERSONS

Re: Devon Energy Production Company, L.P Request for Administrative Approval of an Unorthodox Well Location

Bent Tree 9-11 State Com 625H well S/2 of Sections 9 and 10 and the SW/4 of Section 11, Township 21 South, Range 27 East, Eddy County, New Mexico Alacran Hills; Wolfcamp Gas Pool [70070] API No. 30-015-55723

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from the date this application is received by the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Jake Nourse Devon Energy Production Company, L.P. (405) 228-2856 Jake.Nourse@dvn.com

Sincerely,

DEDIL

Paula M. Vance ATTORNEY FOR DEVON ENERGY PRODUCTION COMPANY, L.P

T 505.988.4421 F 505.983.6043 110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849 Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208 www.hollandhart.com

Alaska M Colorado M Idaho M

Montana Nevada New Mexico

Utah Washington, D.C. Wyoming

Released to Imaging: 2/10/2025 10:18:21 AM

•

Devon - Bent Tree 625H - NSL

Postal Delivery Report

9214 8901 9403 8392 3194 09 MEWBOURNE OIL COMPANY 500 WEST TEXAS SUITE 1020 MIDLAND TX 79701	Delivered Signature Received
9214 8901 9403 8392 3194 16 NEW MEXICO STATE LAND OFFICE 310 OLD SANTA FE TRAIL SANTA FE NM 87501	Delivered Signature Received
9214 8901 9403 8392 3194 23 BUREAU OF LAND MANAGEMENT 620 E GREENE STREET CARLSBAD NM 88220-6292	Delivered Signature Received

Received by OCD: 1/7/2025 3:17:28 PM

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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	418149
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By		Condition Date
llowe	None	1/9/2025

Page 14 of 14

.