

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Melanie Kenderdine
Cabinet Secretary

Ben Shelton
Deputy Secretary

Gerasimos "Gerry" Razatos
Division Director (Acting)
Oil Conservation Division



Darin Savage
darin@abadieschill.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 8966

Devon Energy Production Company, L.P. [OGRID 6137]
Gato Grande 9 4 Federal Com Well No. 712H
API No. 30-025-51324

Reference is made to your application received on April 29th, 2025.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	206 FSL & 2372 FWL	N	09	23S	32E	Lea
First Take Point	100 FSL & 2360 FEL	N	09	23S	32E	Lea
Last Take Point	100 FNL & 2360 FEL	C/3	04	23S	32E	Lea
Terminus	20 FNL & 2360 FEL	C/3	04	23S	32E	Lea

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
W/2 Section 09	638.95	Wildcat; Upper Wolfcamp	98248
W/2 Section 04			

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)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal **oil** 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 - 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 330 feet for an **oil** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal

Administrative Order NSL – 8966
Devon Energy Production Company, L.P.
Page 2 of 2

well shall be no closer than 100 feet 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 Take Points referenced above, within the described Horizontal Spacing Unit.

This well's completed interval is as close as 280 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 09, encroachment to the W/2 E/2
Section 04, encroachment to the W/2 E/2

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

The Division understands you are seeking this unorthodox location in order to minimize reserves left in the ground, decreasing the perpendicular setbacks for tighter well spacing, thus increasing recovery of reserves. All while protecting the correlative rights within the Wolfcamp formation underlying the W/2 of Section 09 and the W/2 of Section 04.

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 19.15.15.13 (B) 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 the Division deems necessary.



GERASIMOS RAZATOS
DIRECTOR (ACTING)
GR/lrl

Date: 6-3-2025

ID NO. 456900

NSL - 8966

Revised March 23, 2017

RECEIVED: 04/29/25	REVIEWER:	TYPE:	APP NO:
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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: <u>Devon Energy Production Company, L.P.</u>	OGRID Number: <u>6137</u>
Well Name: <u>Gato Grande 9-4 Fed Com 712H Well</u>	API: <u>30-025-51324</u>
Pool: <u>WC-025 G-08 S243217P; UPR Wolfcamp</u>	Pool Code: <u>98248</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.

April 25, 2025

Darin Savage

Print or Type Name

/s/ Darin Savage

Signature

Date

970-385-4401

Phone Number

darin@abadieschill.com

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 **Gato Grande 9-4 Fed Com 712H Well** located in the W/2 of Sections 9 and 4, all in Township 23 South, Range 32 East, NMPM, Lea 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)

Devon Energy Production Company, L.P.



For the Pursuit of Energy

ABADIE | SCHILL PC

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

April 29, 2025

Gerasimos Razatos, Director (Acting)
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 Gato Grande 9-4 Fed Com 712H Well located in the W/2 of Sections 9 and 4, all in Township 23 South, Range 32 East, NMPM, Lea County, New Mexico.

Dear Acting Director Razatos:

Devon Energy Production Company, L.P., (“Devon”), OGRID No. 6137, is seeking administrative approval of an unorthodox well location (“NSL”) for the Gato Grande 9-4 Fed Com 712H (the “712H Well”) (API 30-025-51324) located in the WC-025 G-08 S243217P; UPR Wolfcamp Pool (Pool Code 98248) underlying a standard 638.95-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 9 and 4, all in Township 23 South, Range 32 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): 206’ from the South line and 2372’ from the West line (Unit N) of Section 9, Township 23 South, Range 32 East;
- Bottom Hole Location (BHL): 20’ from the North line and 2360’ from the West line (Lot 3) of Section 4, Township 23 South, Range 32 East;
- First Take Point (FTP): 100’ from the South line and 2360’ from the West line (Unit N) of Section 9, Township 23 South, Range 32 East;
- Last Take Point (LTP): 100’ from the North line and 2360’ from the West line (Lot 3) of Section 4, Township 23 South, Range 32 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 WC-025 G-08 S243217P; UPR Wolfcamp Pool (Pool Code 98248). The statewide rules require that the first and last take points shall be no closer than a 100' distance from the outer boundary of the horizontal spacing unit and that the completed interval be no closer than 330', as measured along a line perpendicular to the completed interval, to the outer boundary of the horizontal spacing unit.

The unorthodox location encroaches toward the E/2 of Sections 4 and 9, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico.

Devon attests that, on or before submission of this application, it sent notice to the affected persons/parties in the adjoining horizontal spacing unit which covers the E/2 of Sections 4 and 9, Township 23 South, Range 32 East, all in Lea County, New Mexico. Devon has also sent notice to the Bureau of Land Management ("BLM") and the New Mexico State Land Office ("SLO") to the extent that federal and state leases are involved, pursuant to NMAC 19.15.2.7A(8)(d); said notice as described satisfies all provisions of NMAC 19.15.4.12A(2); copies of the application and required plat maps were furnished.

Devon 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 the affected persons, is attached hereto as Exhibit D. Devon has informed us that there is no pooling case 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

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION		Revised July 9, 2024	
			Submittal Type:	<input checked="" type="checkbox"/> Initial Submittal
				<input type="checkbox"/> Amended Report
		<input type="checkbox"/> As Drilled		

WELL LOCATION INFORMATION

API Number 3002551324	Pool Code [98248]	Pool Name WC-025 G-08 S243217P;UPR WOLFCAMP
Property Code	Property Name GATO GRANDE 9 4 FED COM	Well Number 712H
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Ground Level Elevation 3,678.90'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

Surface Location

UL N	Section 9	Township 23S	Range 32E	Lot	Ft. from N/S 206' FSL	Ft. from E/W 2,372' FWL	Latitude 32.312435°	Longitude -103.680489°	County LEA
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Bottom Hole Location

UL LOT 3	Section 4	Township 23S	Range 32E	Lot	Ft. from N/S 20' FNL	Ft. from E/W 2,360' FWL	Latitude 32.340792°	Longitude -103.680547°	County LEA
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Dedicated Acres 638.95	Infill or Defining Well Infill	Defining Well API 20-025-51325	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers. Pending NSL			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL N	Section 9	Township 23S	Range 32E	Lot	Ft. from N/S 50' FSL	Ft. from E/W 2,360' FWL	Latitude 32.312005°	Longitude -103.680529°	County LEA
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First Take Point (FTP)

UL N	Section 9	Township 23S	Range 32E	Lot	Ft. from N/S 100' FSL	Ft. from E/W 2,360' FWL	Latitude 32.312143°	Longitude -103.680529°	County LEA
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Last Take Point (LTP)

UL LOT 3	Section 4	Township 23S	Range 32E	Lot	Ft. from N/S 100' FNL	Ft. from E/W 2,360' FWL	Latitude 32.340573°	Longitude -103.680546°	County LEA
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Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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OPERATOR CERTIFICATIONS

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.

Signature

Date

Lauren Watson

Printed Name

Lauren.Watson@dvn.com

Email Address

3/20/2025

SURVEYOR CERTIFICATIONS

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.

NICHOLAS COLE PHIPPS P.S. 29796
COOSA CONSULTING CORPORATION
PO BOX 1583, MIDLAND, TEXAS 79701

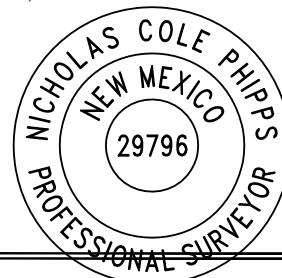
Signature and Seal of Professional Surveyor

Certificate Number

29796

Date of Survey

2/7/2025


**EXHIBIT
A**

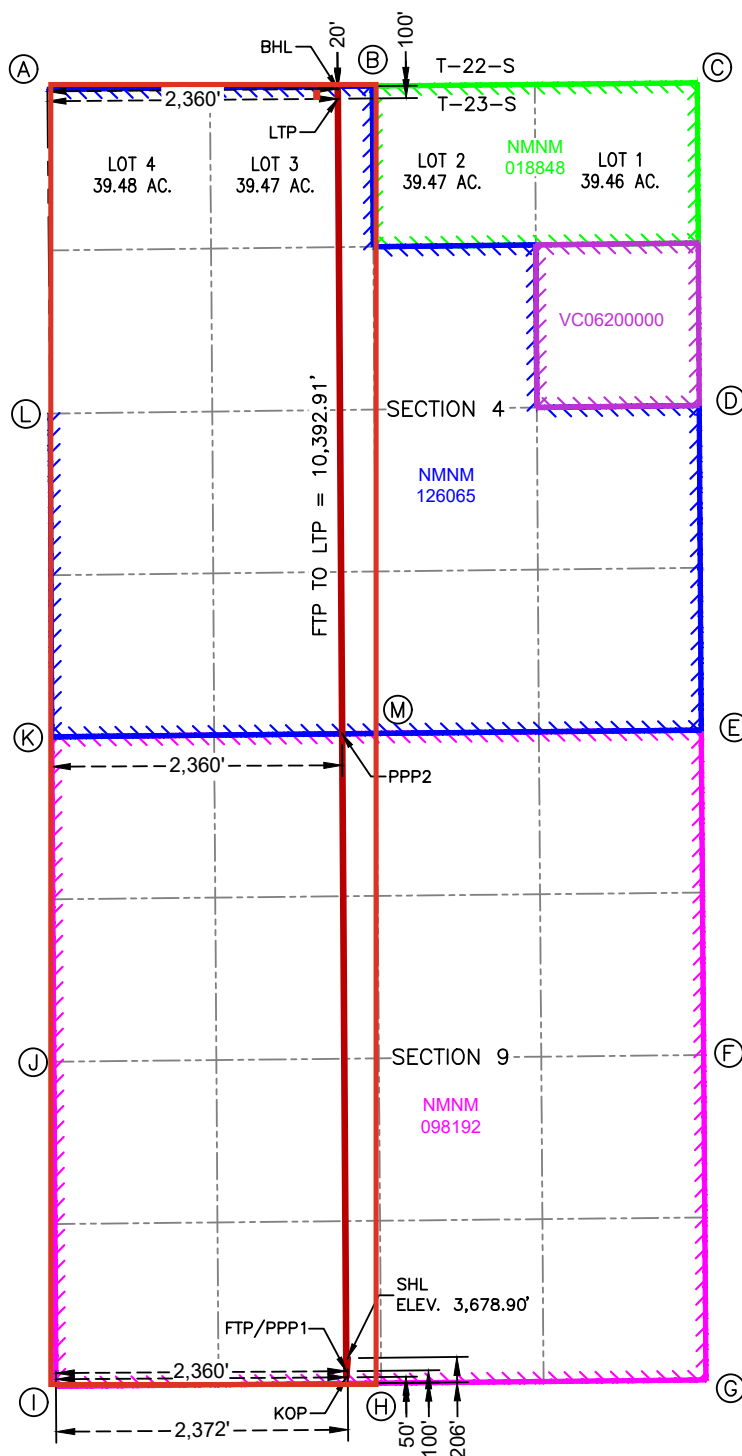
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved.

ACREAGE DEDICATION PLATS

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.

GATO GRANDE 9 4 FED COM 712H



SURFACE HOLE LOCATION
206' FSL & 2,372' FWL
ELEV. = 3,678.90'

NAD 83 X = 743,024.21'
NAD 83 Y = 478,010.47'
NAD 83 LAT = 32.312435°
NAD 83 LONG = -103.680489°

KICK-OFF POINT
50' FSL & 2,360' FWL
NAD 83 X = 743,012.81'
NAD 83 Y = 477,854.01'
NAD 83 LAT = 32.312005°
NAD 83 LONG = -103.680529°

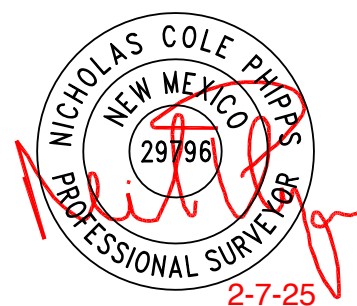
FIRST TAKE POINT &
PENETRATION POINT 1
100' FSL & 2,360' FWL
NAD 83 X = 743,012.49'
NAD 83 Y = 477,903.99'
NAD 83 LAT = 32.312143°
NAD 83 LONG = -103.680529°

PENETRATION POINT 2
0' FSL & 2,360' FWL
NAD 83 X = 742,978.81'
NAD 83 Y = 483,085.08'
NAD 83 LAT = 32.326384°
NAD 83 LONG = -103.680535°

LAST TAKE POINT
100' FNL & 2,360' FWL
NAD 83 X = 742,944.12'
NAD 83 Y = 488,246.69'
NAD 83 LAT = 32.340573°
NAD 83 LONG = -103.680546°

BOTTOM HOLE LOCATION
20' FNL & 2,360' FWL
NAD 83 X = 742,943.43'
NAD 83 Y = 488,326.69'
NAD 83 LAT = 32.340792°
NAD 83 LONG = -103.680547°

CORNER COORDINATES NEW MEXICO EAST - NAD 83	
A	IRON PIPE W/BRASS CAP N:488,323.10' E:740,583.37'
B	CALCULATED CORNER N:488,349.49' E:743,224.26'
C	IRON PIPE W/BRASS CAP N:488,375.88' E:745,865.14'
D	IRON PIPE W/BRASS CAP N:485,753.66' E:745,881.34'
E	CALCULATED CORNER N:483,114.70' E:745,897.59'
F	IRON PIPE W/BRASS CAP N:480,473.91' E:745,917.15'
G	IRON PIPE W/BRASS CAP N:477,833.17' E:745,935.94'
H	IRON PIPE W/BRASS CAP N:477,806.86' E:743,296.26'
I	IRON PIPE W/BRASS CAP N:477,780.24' E:740,653.25'
J	IRON PIPE W/BRASS CAP N:480,419.18' E:740,635.92'
K	IRON PIPE W/BRASS CAP N:483,060.19' E:740,618.94'
L	IRON PIPE W/BRASS CAP N:485,687.56' E:740,606.09'
M	IRON PIPE W/BRASS CAP N:483,088.03' E:743,258.71'



2-7-25



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

405 552 8002 Phone
www.devonenergy.com

March 19, 2025

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.
Gato Grande 9 4 Fed Com 712H
W2 of Sections 4 & 9 T23S-R32E
Lea County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, LP ("Devon") respectfully requests administrative approval of a non-standard location for the Gato Grande 9 4 Fed Com 712H (the "Well") referenced above. The Well is in the WC-025 G-08 S243217P; UPR WC (Pool Code 98248) with first and last take points at roughly 2360' FWL. Devon's responsibility as a prudent operator is to minimize reserves left in the ground. Decreasing the perpendicular setback from 330' will allow for tighter well spacing, thereby increasing the ultimate recovery of reserves and thereby preventing the waste of natural resources.

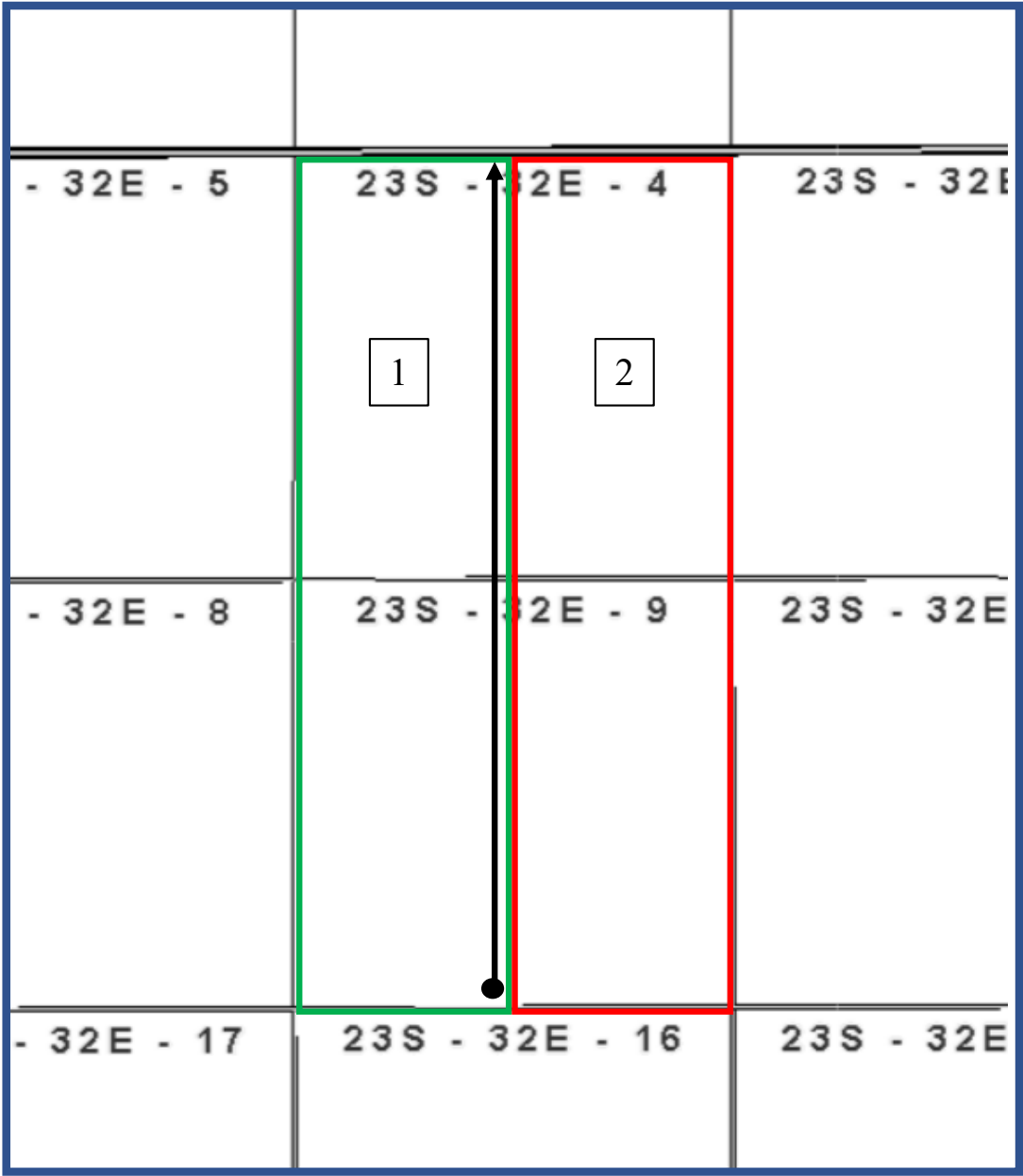
Respectfully,

Devon Energy Production Company, L.P.

A handwritten signature in blue ink that reads "Nikki Hardy". The signature is fluid and cursive, with the first name "Nikki" and last name "Hardy" clearly distinguishable.

Nikki Hardy
Reservoir Engineer

Gato Grande 9 4 Fed Com 712H: NSL



1. Horizontal Spacing Unit
Devon Operated- Gato Grande 9-4
W2 Sections 4 & 9
T23S-R32E

2. Affected Offsetting H. Spacing Unit
Devon Operated- Gato Grande 9-4
E2 Sections 4 & 9
T23S-R32E

EXHIBIT
C

USPSArticleNumber	DateMailed	ReferenceNumber	Name1	Address1	City	State	Zip
9314869904300134589727	4/29/25	4188.82 - NSL - Gato Grande 712H	Bureau of Land Management	620 E. Greene Street	Carlsbad	NM	88220-6292
9314869904300134589734	4/29/25	4188.82 - NSL - Gato Grande 712H	New Mexico State Land Office	P.O. Box 1148	Sante Fe	NM	87504

EXHIBIT
D



For the Pursuit of Energy

ABADIE | SCHILL PC

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

April 29, 2025

**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 Gato Grande 9-4 Fed Com 712H Well located in the W/2 of Sections 9 and 4, all in Township 23 South, Range 32 East, NMPM, Lea 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 tract or unit pursuant to our request for approval of an unorthodox location of the above-referenced well. Any objections that you have to the above-referenced application must be filed in writing (by email or letter) 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 application filed for administrative approval by the Division. This Application would have been filed with, and received by, the Division either on the date of this letter as referenced above, or no later than two (2) days after the date referenced above. 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:

Aaron Young
Sr. Staff Landman
Devon Energy Production Company, L.P.
(405) 228-2850
Aaron.Young@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 Devon Energy
Production Company, L.P.

Waiver

_____ hereby waives objection to the above referenced Application for an Unorthodox Location for the Gato Grande 9-4 Fed Com 712H Well located in the W/2 of Sections 9 and 4, all in Township 23 South, Range 32 East, NMPM, Lea County, New Mexico.

Dated: _____

Signature: _____

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

Action 456900

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 456900
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	An approved NSP order is needed for the larger HSU pertaining to the Pool/Formation referenced in this order. Unless the HSU can be verified that the HSU is obtained through a confirmed Defining Well.	6/4/2025