

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Erin Taylor
Acting Cabinet Secretary

Ben Shelton
Deputy Secretary

Albert C.S. Chang
Division Director
Oil Conservation Division



Darin Savage
darin@abadieschill.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 9320

**Devon Energy Production Company, L.P. [OGRID 6137]
Lusitano 34 15 Federal Com Well No. 120H (API No. 30-015-57341)
Pool: Jennings; Bone Spring, West [97860]**

Reference is made to your application received on April 2nd, 2026.

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	610 FNL & 1850 FWL	C	34	25S	31E	Eddy
First Take Point	100 FSL & 2450 FWL	N	27	25S	31E	Eddy
Last Take Point	100 FNL & 2450 FWL	C	15	25S	31E	Eddy
Terminus	20 FNL & 2450 FWL	C	15	25S	31E	Eddy

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 W/2 Section 27 NE/4 NW/4 Section 34	200	Jennings; Bone Spring, West	97860

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.

Administrative Order NSL – 9320
 Devon Energy Production Company, L.P.
 Page 2 of 2

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 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. *The entire horizontal spacing unit is comprised of two pools: (1) Jennings; Bone Spring, West [97860] and (2) Paduca; Bone Spring [96641]. This NSL pertains to the former portion of the producing spacing unit, Pool Code No. 97860.*

This well's completed interval is as close as 200 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 27, encroachment to the W/2 E/2
 Section 34, encroachment to the NW/4 NE/4

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.

Division understands you are seeking this unorthodox location in order to maximize the ultimate recovery of reserves within the **Jennings; Bone Spring, West [97860]** pool/formation underlying the E/2 W/2 of Section 27 and the NE/4 NW/4 Section 34. Therefore, protecting the correlative rights of all affected parties and preventing waste within the formation.

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 Division deems necessary.



Albert C.S. Chang
 Division Director
 AC/lrl

Date: 5/8/26

ID NO. 570676

NSL - 9320

Revised March 23, 2017

RECEIVED: 04/02/26	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: Devon Energy Production Company, L.P. **OGRID Number:** 6137
Well Name: Lusitano 34-15 Fed Com 120H **API:** 30-015-57341
Pool: JENNINGS; BONE SPRING, WEST **Pool Code:** 97860

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	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	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.

Darin C. Savage

March 31, 2026

Print or Type Name

Date

/s/ Darin C. Savage

970-385-4401

Signature

Phone Number

darin@abadieschill.com

e-mail Address



For the Pursuit of Energy

ABADIE | SCHILL PC

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

April 1, 2026

VIA ONLINE FILING

Albert C.S. Chang, 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: Devon Energy Production Company, L.P.
Request for Administrative Approval of an Unorthodox Well Location**

Lusitano 34-15 Fed Com 120H Well
E/2 W/2 of Sections 15, 22, 27 & NENW of Section 34,
Township 25 South, Range 31 East,
Eddy County, New Mexico
Jennings; Bone Spring, West Pool; Pool Code [97860]
API No. 30-015-57341

Dear Director Chang:

In accordance with Division Rule 19.15.16.15(C)(6) NMAC as informed by 19.15.15.13 NMAC, Devon Energy Production Company, L.P. (“Devon”), OGRID No. 6137, seeks administrative approval of an unorthodox well location (“NSL”) for the Lusitano 34-15 Fed Com 120H Well. The Well is proposed to be located within both the Jennings; Bone Spring, West pool [Pool Cool: 97860] and the Paduca; Bone Spring pool [Pool Code: 96641], underlying a standard 520-acre, more or less, horizontal spacing unit, comprised of the E/2 W/2 of Sections 15, 22, 27 & NE/4 NW/4 of Section 34, Township 25 South, Range 31 East, Eddy County, New Mexico (“HSU”).

With respect to the Jennings; Bone Spring, West pool [Pool Code: 97860], this application seeks approval of the NSL for the wellbore within the 200-acre, more or less, portion of the HSU, covering the E/2 W/2 of Sections 27 and the NE/4 NW/4 of Section 34.

Devon will seek separate administrative approval for the remainder of the wellbore of Lusitano 34-15 Fed Com 120H Well, located in the Paduca; Bone Spring pool [Pool Code: 96641], underlying the remaining 320-acre, more or less, portion of the HSU.

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

The location of the 120H Well will be unorthodox because points along the completed interval well are 190’ from the boundary of the spacing unit, which is less than the 330’ setback required by statewide rules. An engineering statement is attached as **Exhibit A** that provides the reasons and explains the need for the unorthodox well location.

Exhibit B is a Form C-102 showing the location of the Lusitano 34-15 Fed Com 120H Well, Jennings; Bone Spring, West Pool; Pool Code [97860] in relation to the offset tracts.

Exhibit C is a plat for the subject area, that shows the proposed Lusitano 34-15 Fed Com 120H Well. **Exhibit C** also includes ownership of the non-operating owners in the affected offset spacing units. Devon, who is the Applicant, is the only affected party. In addition, the exhibit identifies that the offsetting unit includes federal leases.

Exhibit D is a proof of mailing that identifies all affected person who were sent a copy of this application and attachments pursuant to Rules 19.15.16.15(C)(6) NMAC, 19.15.15.13 (B), (C), and (D) NMAC, and 19.15.2.7(A)(8) NMAC. Devon, the Applicant, is the only affected party on this list, and therefore, it is not necessary to notify Devon of this application or provide a notice letter to Devon. **Exhibit D** includes a copy of the notice letter sent to the Bureau of Land Management and proof of mailing.

Type	Affected Party	Location	Date Letter Sent	Tracking Number
Working Interest Owner	Devon Energy Production Company, L.P.	E/2 of Sections 27 and 34	NA	NA

Because federal leases are involved, Devon also sent a copy of this application to the Bureau of Land Management.

The Lusitano 34-15 Fed Com 120H Well has been developed under a JOA and was not pooled.

Your consideration in this matter is appreciated.

Sincerely,

Abadie & Schill, PC

/s/Darin C. Savage
Darin C. Savage

Attorney for Devon Energy Production Company, L.P.



Devon Energy Production Company, L.P.
333 West Sheridan Avenue
Oklahoma City, OK 73102-5015

March 30, 2026

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
Lusitano 34-15 Fed Com 510H & 120H (the "Wells")
E/2 W/2 Sections 15, 22, 27 & NE/4 NW/4 Section 34 -25S-31E
Eddy County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, L.P. respectfully requests administrative approval of a non-standard location for the Lusitano 34-15 Fed Com 510H & 120H wells. The Wells are dual pool wells each located partially in the Jennings; Bone Spring, West pool (Pool Code: 97860) and the Paduca; Bone Spring pool (Pool Code: 96641). It is Devon's responsibility as a prudent operator to minimize reserves left in the ground. Therefore, to decrease the between well spacing, maximize ultimate recovery of reserves, and thereby prevent waste of natural resources, Devon desires to drill the wells less than three hundred thirty feet (330') from the eastern boundary of a E/2W/2 horizontal spacing unit established for the wells.

Sincerely,

Jacob Lutey
Reservoir Engineer

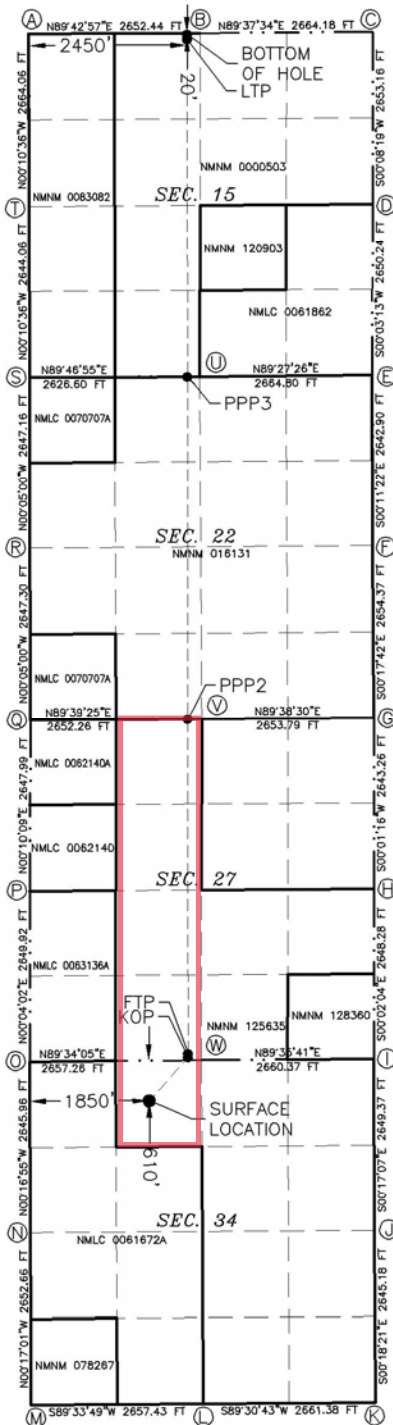
A handwritten signature in black ink that reads "Jacob Lutey". The signature is written in a cursive, flowing style.



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.



LUSITANO 34-15 FED COM 120H
EL. = 3330.6

GEODETIC COORDINATES
NAD 83 NMSP EAST
SURFACE LOCATION
610' FNL, 1850' FWL
N.=397781.78
E.=716214.85
LAT.=32.0923229°N
LONG.=103.7686286°W

KICK OFF POINT 50' FSL, 2450' FWL N.=398446.16 E.=716811.85 LAT.=32.0941406°N LONG.=103.7666896°W	FIRST TAKE POINT 100' FSL, 2450' FWL N.=398496.14 E.=716811.91 LAT.=32.0942780°N LONG.=103.7666885°W
LAST TAKE POINT 100' FNL, 2450' FWL N.=414186.84 E.=716798.90 LAT.=32.1374091°N LONG.=103.7664640°W	BOTTOM OF HOLE 20' FNL, 2450' FWL N.=414266.82 E.=716798.65 LAT.=32.1376289°N LONG.=103.7664635°W
PPP2 0' FNL, 2435' FWL N.=403689.02 E.=716807.61 LAT.=32.1085524°N LONG.=103.7666143°W	PPP3 0' FNL, 2438' FWL N.=408977.01 E.=716803.22 LAT.=32.1230882°N LONG.=103.7665386°W

CORNER COORDINATES TABLE
NAD 83 NMSP EAST

A - N.= 414274.67	E.= 714349.16	M - N.= 393080.31	E.= 714388.46
B - N.= 414287.82	E.= 717000.99	N - N.= 395732.35	E.= 714375.33
C - N.= 414305.20	E.= 719664.53	O - N.= 398377.70	E.= 714362.31
D - N.= 411652.64	E.= 719658.11	P - N.= 401027.04	E.= 714365.41
E - N.= 409002.97	E.= 719655.63	Q - N.= 403674.44	E.= 714373.22
F - N.= 406360.67	E.= 719664.36	R - N.= 406321.16	E.= 714369.37
G - N.= 403706.92	E.= 719678.01	S - N.= 408967.74	E.= 714365.52
H - N.= 401064.23	E.= 719677.04	T - N.= 411611.21	E.= 714357.38
I - N.= 398416.53	E.= 719678.63	U - N.= 408977.73	E.= 716991.53
J - N.= 395767.77	E.= 719691.82	V - N.= 403690.32	E.= 717024.86
K - N.= 393123.21	E.= 719705.93	W - N.= 398397.72	E.= 717018.91
L - N.= 393100.55	E.= 717045.23		

LEGEND

- SECTION LINE
- - - QUARTER LINE
- LEASE LINE
- - - - - WELL PATH

Offset Ownership Plat

Lusitano 34-15 Fed Com 120H Well

E/2W/2 of Sections 15, 22, & 27 and NENW of Section 34
Township 25 South, Range 31 East, Eddy County, NM
Jennings; Bone Spring, West Pool; Pool Code [97860]

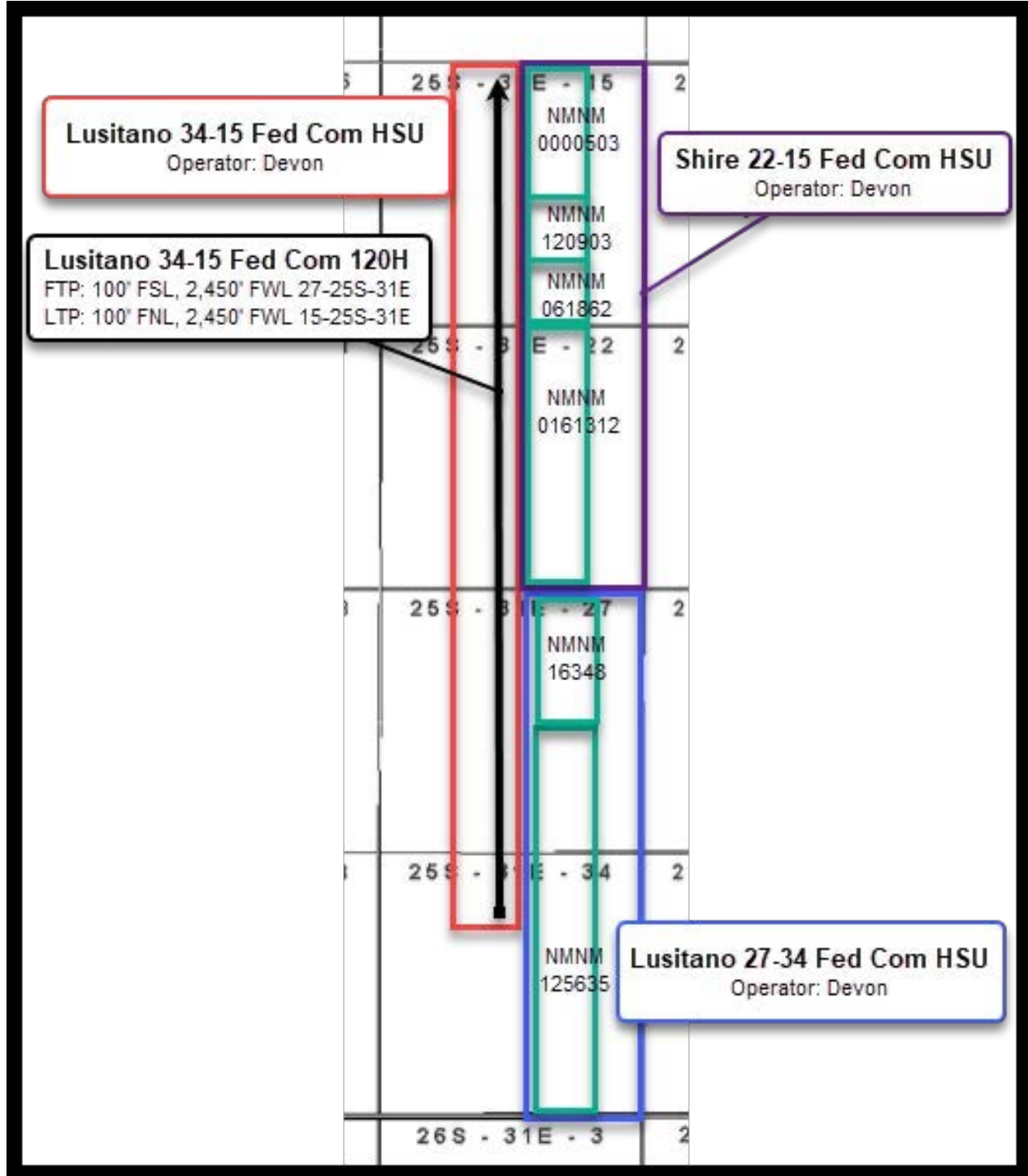
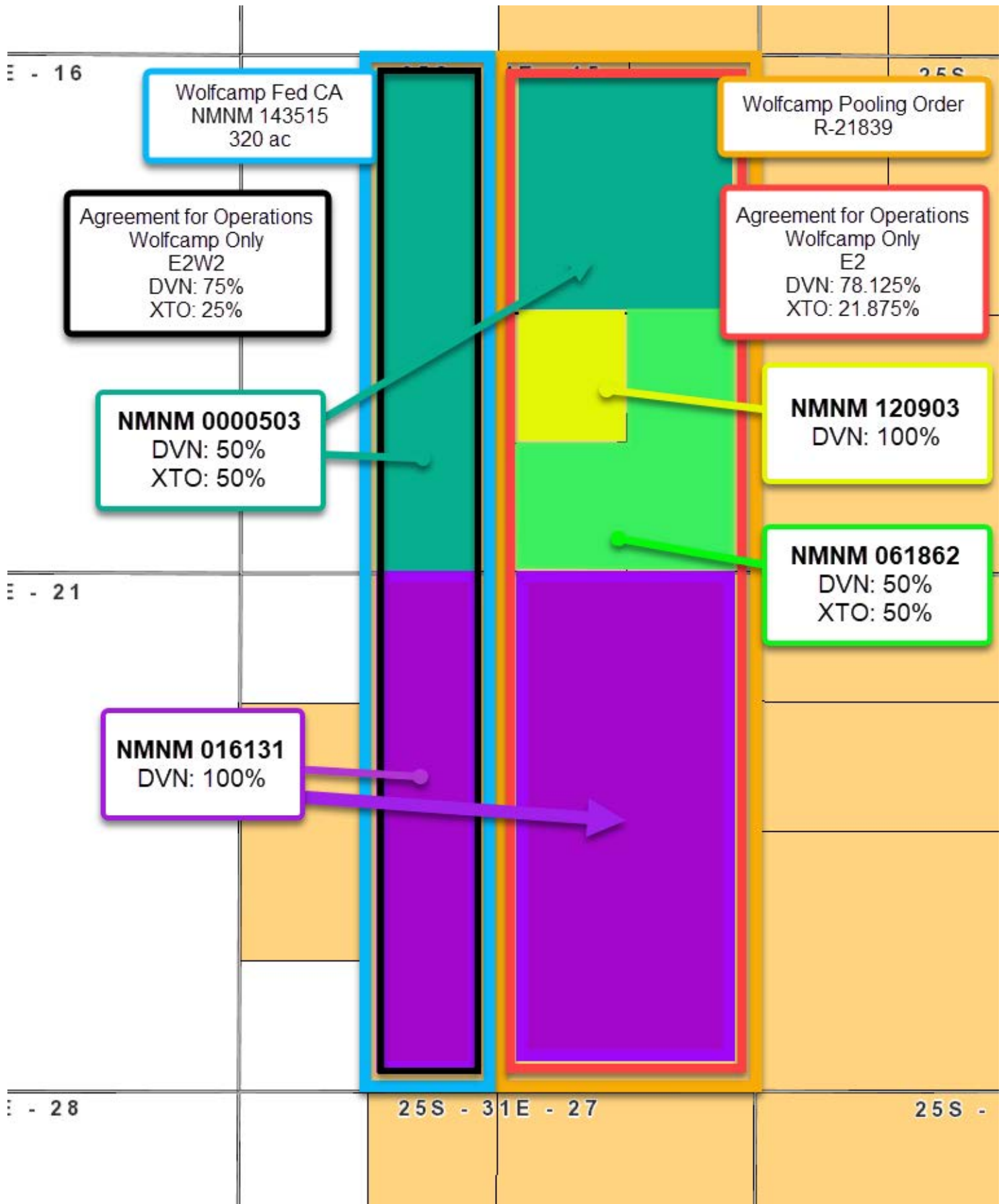
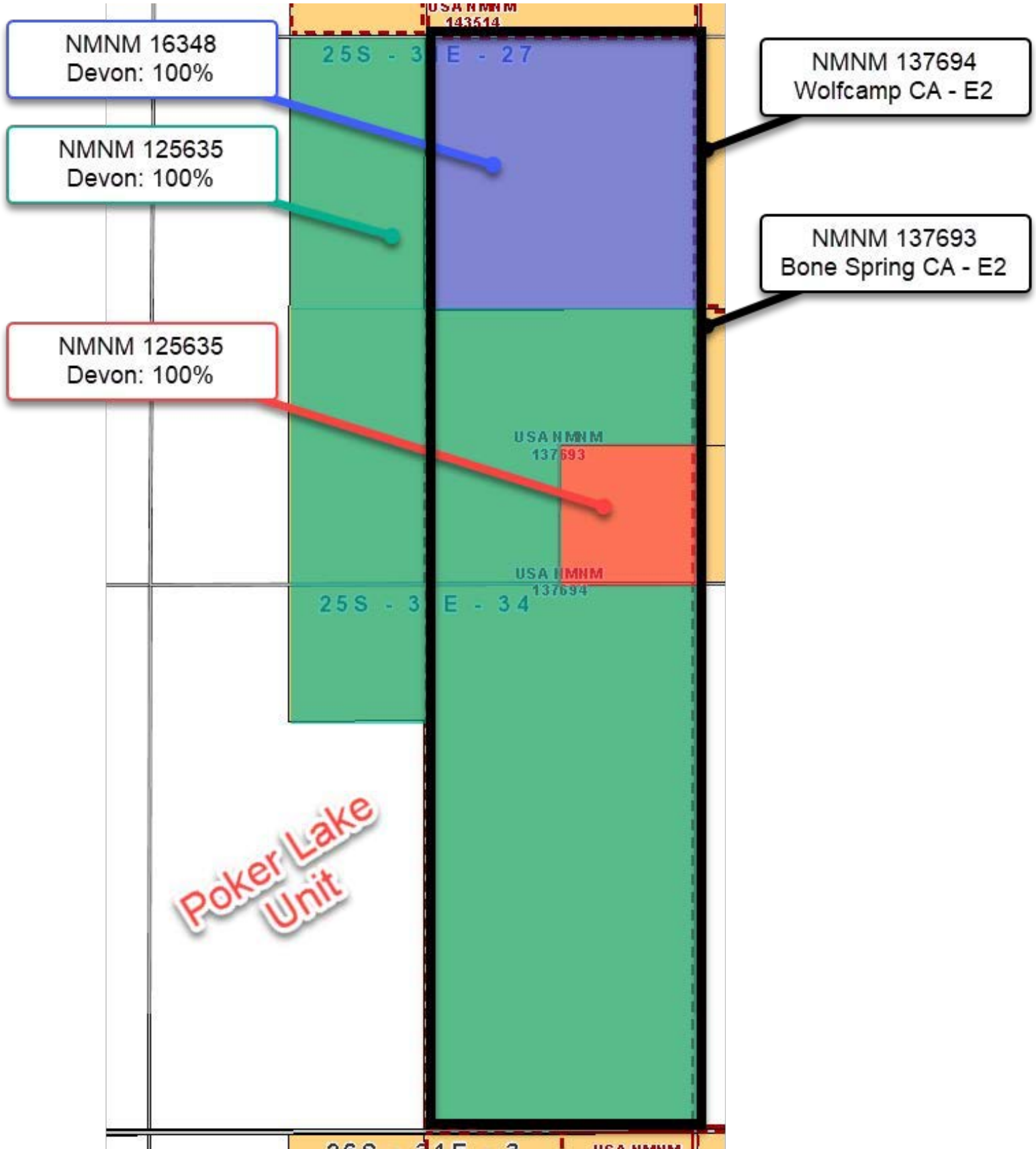


EXHIBIT
C





Devon Lusitano 120H Jennings NSL Notice List						
Tracking Number	Type	Name	Address	City	State	Zip
9414809898643579513106	BLM	Bureau of Land Management	620 E. Green Street	Carlsbad	NM	88220

**EXHIBIT
D**



For the Pursuit of Energy

ABADIE | SCHILL PC

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

April 1, 2026

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS/PARTIES

Re: Devon Energy Production Company, L.P.
Application for Administrative Approval of an Unorthodox Well Location
Lusitano 34-15 Fed Com 120H Well

To the Parties/Persons this may concern:

Enclosed is a copy of the administrative application requesting approval of unorthodox well location (“NSL”) for the Lusitano 34-15 Fed Com 120H Well. The Well is proposed to be located within both the Jennings; Bone Spring, West pool [Pool Cool: 97860] and the Paduca; Bone Spring pool [Pool Code: 96641], underlying a standard 520-acre, more or less, horizontal spacing unit, comprised of the E/2 W/2 of Sections 15, 22, 27 & NE/4 NW/4 of Section 34, Township 25 South, Range 31 East, Eddy County, New Mexico (“HSU”).

With respect to the Jennings; Bone Spring, West pool [Pool Code: 97860], this application seeks approval of the NSL for the wellbore within the 200-acre, more or less, portion of the HSU, covering the E/2 W/2 of Sections 27 and the NE/4 NW/4 of Section 34.

Devon will seek separate administrative approval (and you will receive separate NSL notice) for the remainder of the Lusitano 34-15 Fed Com 120H Well, located in the Paduca; Bone Spring pool [Pool Code: 96641], underlying the remaining 320-acre, more or less, portion of the HSU.

You are being notified in your capacity as a person or party in an adjoining tract or unit pursuant to our application for approval of an unorthodox location of the above-referenced well. Any objection to this application must be filed in writing (by email or letter) within twenty (20) days from the date this application is received by the New Mexico Oil Conservation Division (“NMOCD”), whose mailing address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. This application was filed with and received by the NMOCD either on the date of this letter or no later than two (2) days after the date of this letter. 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:

abadieschill.com
214 McKenzie Street, Santa Fe, New Mexico, 87501
O : 970.385.4401 • F : 970.385.4901

Ryan Cloer - Senior Staff Landman, Devon Energy Production Company, L.P.
Email: Ryan.Cloer@dvn.com
Office Phone: (405) 228-2448

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,

Abadie & Schill, PC

/s/Darin C. Savage
Darin C. Savage

Attorney for Devon Energy Production Company, L.P.

Waiver

_____ hereby waives objection to the above referenced Application for an unorthodox well location (“NSL”) for the Lusitano 34-15 Fed Com 120H Well, located in the E/2 W/2 of Sections 15, 22, 27 & NE/4 NW/4 of Section 34, Township 25 South, Range 31 East, Jennings; Bone Spring, West Pool; Pool Code [97860], Eddy 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 570676

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 570676
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	4/2/2026