

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](mailto:darin@abadieschill.com)

**ADMINISTRATIVE NON-STANDARD LOCATION**

**Administrative Order NSL – 9323**

**Devon Energy Production Company, L.P. [OGRID 6137]  
Lusitano 34 15 Federal Com Well No. 510H (API No. 30-015-PENDING)  
Pool: Paduca; Bone Spring; Pool Code (96641)**

Reference is made to your application received on April 2<sup>nd</sup>, 2026

**Proposed Location**

	<b>Footages</b>	<b>Unit/Lot</b>	<b>Sec.</b>	<b>Twsp</b>	<b>Range</b>	<b>County</b>
Surface	610 FNL & 1880 FWL	C	34	25S	31E	Eddy
First Take Point	100 FSL & 2530 FWL	N	27	25S	31E	Eddy
Last Take Point	100 FNL & 2530 FWL	C	15	25S	31E	Eddy
Terminus	20 FNL & 2530 FWL	C	15	25S	31E	Eddy

**Proposed Horizontal Units**

<b>Description</b>	<b>Acres</b>	<b>Pool</b>	<b>Pool Code</b>
E/2 W/2 Section 22	320	Paduca; Bone Spring	96641
E/2 W/2 Section 15			

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

Administrative Order NSL – 9323  
Devon Energy Production Company, L.P.  
Page 2 of 2

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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 latter portion of the producing spacing unit, Pool Code No. 96641.*

This well's completed interval is as close as 110 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 22, encroachment to the W/2 E/2  
Section 15, 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.

Division understands you are seeking this unorthodox location in order to allow for tighter well spacing, increasing reserves, preventing waste of natural resources and protecting the correlative rights within the Paduca; Bone Spring [96641] pool/formation underlying the E/2 W/2 of Section 22 and the E/2 W/2 Section 15. 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.



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**Albert C.S. Chang**  
Division Director  
AC/lrl

**Date:** 5/8/26

ID NO. 570702

NSL - 9323

Revised March 23, 2017

RECEIVED: <b>04/02/26</b>	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 510H **API:** PENDING  
**Pool:** PADUCA; BONE SPRING **Pool Code:** 96641

**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

<b>FOR OCD ONLY</b>	
<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  
 Print or Type Name  
/s/ Darin C. Savage  
 Signature

March 30, 2026  
 Date  
970-385-4401  
 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.  
**Application for Administrative Approval of an Unorthodox Well Location**

Lusitano 34-15 Fed Com 510H Well  
 E/2 W/2 of Sections 15, 22, 27 & NENW of Section 34,  
 Township 25 South, Range 31 East,  
 Eddy County, New Mexico  
**Paduca; Bone Spring pool; Pool Code [96641]**  
 API No. PENDING

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 510H Well. The Well is proposed to be located within both the Paduca; Bone Spring pool [Pool Code: 96641] and the Jennings; Bone Spring, West pool [Pool Code: 97860], underlying a standard 520-acre, more or less, horizontal spacing unit, comprised of the E/2 W/2 of Sections 15, 22, 27 & NENW of Section 34, Township 25 South, Range 31 East, Eddy County, New Mexico (“HSU”).

With respect to the Paduca; Bone Spring pool [Pool Code: 96641], this application seeks approval of the NSL for the Well within the 320-acre, more or less, portion of the HSU, covering the E/2 W/2 of Sections 15 and 22.

Devon will seek separate administrative approval for the Lusitano 34-15 Fed Com 510H Well, in the Jennings; Bone Spring, West pool [Pool Code: 97860], underlying the remaining 200-acre, more or less, portion of the HSU.

[abadieschill.com](http://abadieschill.com)

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

The location of the 510H Well will be unorthodox because points along the completed interval well are 110' 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 510H Well, Paduca; Bone Spring Pool; Pool Code [96641] in relation to the offset tracts.

**Exhibit C** is a plat for the subject area, that shows the proposed Lusitano 34-15 Fed Com 510H Well. **Exhibit C** also includes ownership of the non-operating owners in the affected offset spacing units. 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. The following are the affected persons:

Type	Affected Party	Location	Date Letter Sent	Tracking Number
Working Interest Owner	XTO Permian Operating	E/2 of Section 15 and 22	4/1/2026	9414809898643579512918
Working Interest Owner	Chevron U.S.A. Inc.	E/2 of Section 15 and 22	4/1/2026	9414809898643579512833

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 510H 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.

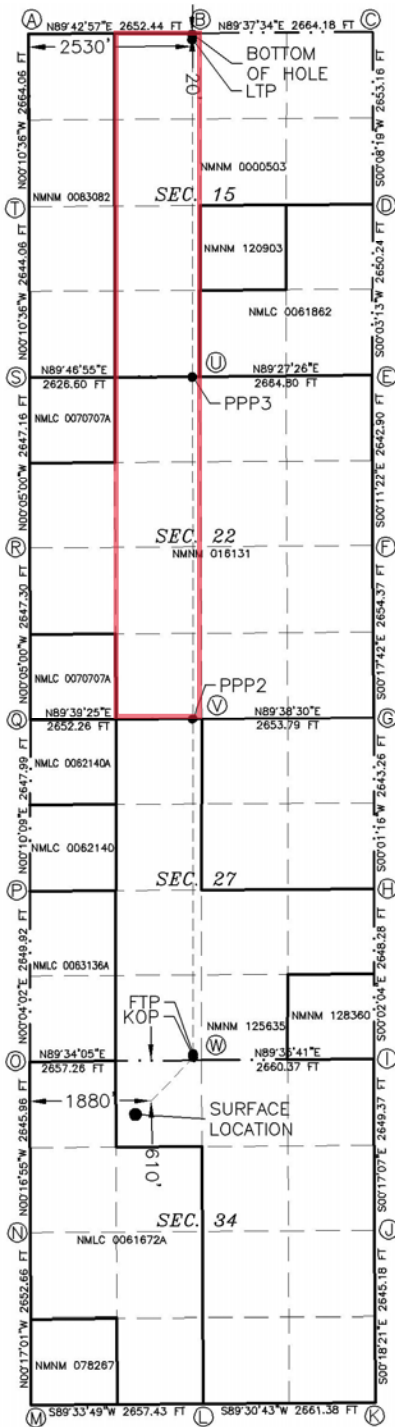




ACREAGE DEDICATION PLATS

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 510H  
EL. = 3329.9

GEODETIC COORDINATES  
NAD 83 NMSP EAST  
SURFACE LOCATION  
610' FNL, 1880' FWL  
N.=397782.00  
E.=716244.85  
LAT.=32.0923231°N  
LONG.=103.7685317°W

KICK OFF POINT 50' FSL, 2530' FWL N.=398446.76 E.=716891.83 LAT.=32.0941411°N LONG.=103.7664313°W	FIRST TAKE POINT 100' FSL, 2530' FWL N.=398496.74 E.=716891.89 LAT.=32.0942785°N LONG.=103.7664303°W
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LAST TAKE POINT 100' FNL, 2530' FWL N.=414187.23 E.=716878.88 LAT.=32.1374090°N LONG.=103.7662056°W	BOTTOM OF HOLE 20' FNL, 2530' FWL N.=414267.21 E.=716878.63 LAT.=32.1376288°N LONG.=103.7662051°W
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PPP2 0' FNL, 2515' FWL N.=403689.50 E.=716887.52 LAT.=32.1085525°N LONG.=103.7663562°W	PPP3 0' FNL, 2518' FWL N.=408977.32 E.=716883.17 LAT.=32.1230879°N LONG.=103.7662804°W
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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 510H Well

E/2W/2 of Sections 15, 22, & 27 and NENW of Section 34  
Township 25 South, Range 31 East, Eddy County, NM  
Paduca; Bone Spring Pool; Pool Code [96641]

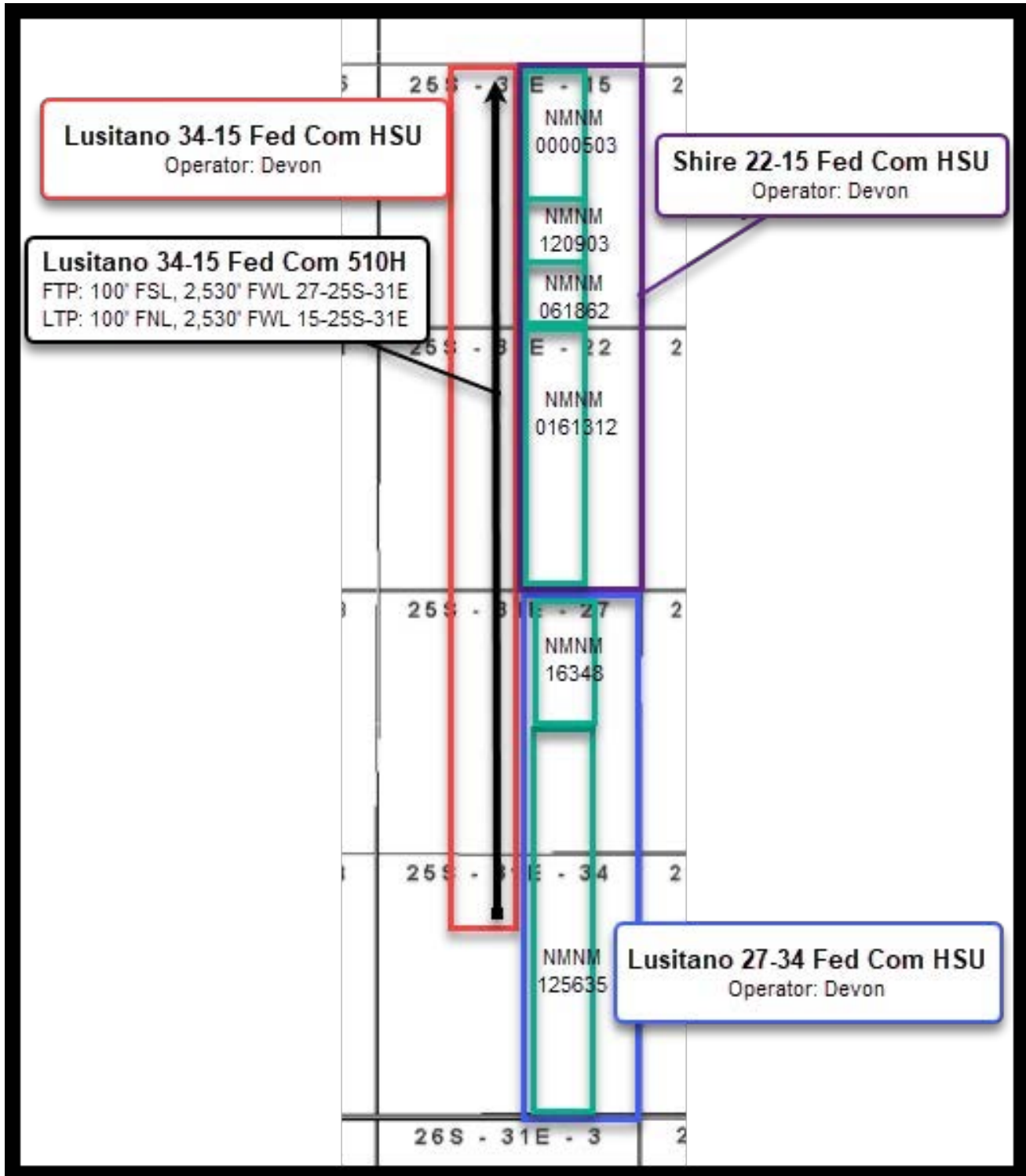
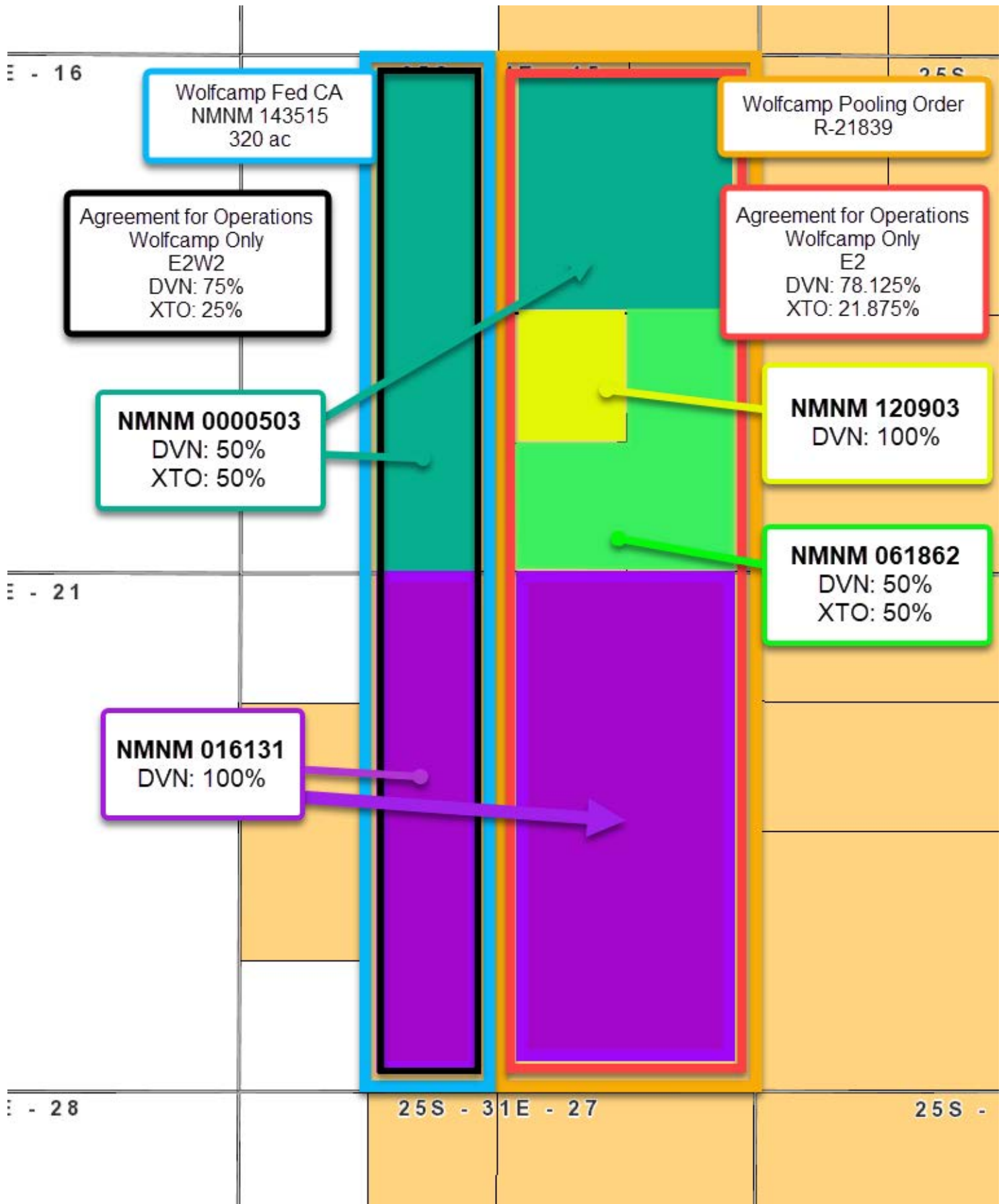
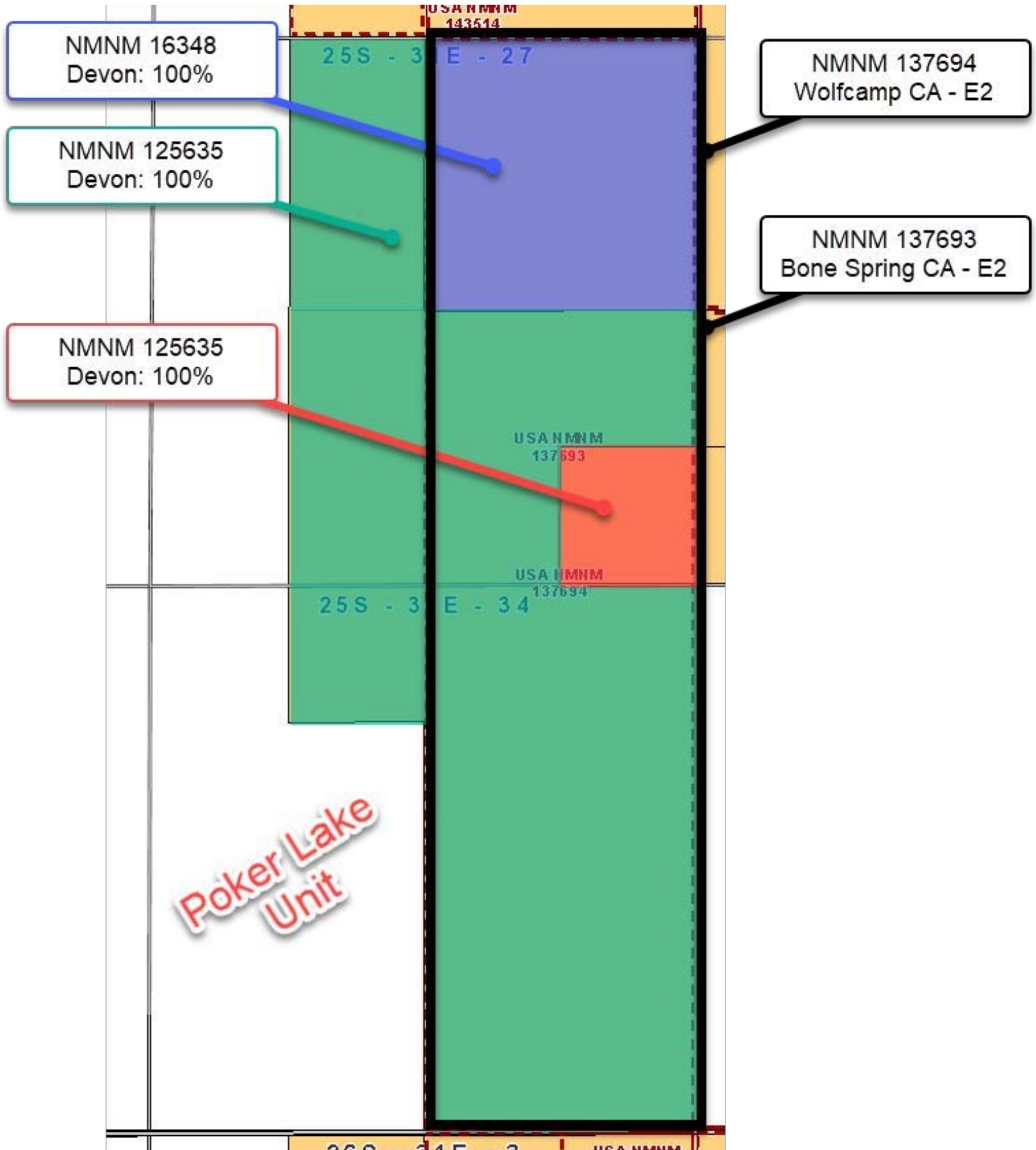


EXHIBIT  
C





<b>Devon Lusitano 510H Paduca NSL Notice List</b>						
<b>Tracking Number</b>	<b>Type</b>	<b>Name</b>	<b>Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>
9414809898643579513106	BLM	Bureau of Land Management	620 E. Greene Street	Carlsbad	NM	88220
9414809898643579512918	Non-Operator Owner	XTO Permian Operating	22777 Springwoods Village Pkwy	Spring	TX	77389
9414809898643579512833	Non-Operator Owner	Chevron U.S.A. Inc.	1400 Smith Street	Houston	TX	77002

**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 510H Well**

To the Parties/Persons this may concern:

Enclosed is a copy of the administrative application requesting approval of an unorthodox well location (“NSL”) for the Lusitano 34-15 Fed Com 510H Well. The Well is proposed to be located within both the Paduca; Bone Spring pool [Pool Code: 96641] and the Jennings; Bone Spring, West pool [Pool Cool: 97860], underlying a standard 520-acre, more or less, horizontal spacing unit, comprised of the E/2 W/2 of Sections 15, 22, 27 & NENW of Section 34, Township 25 South, Range 31 East, Eddy County, New Mexico.

With respect to the Paduca; Bone Spring pool [Pool Code: 96641], this application seeks approval of the NSL for the Well within the 320-acre, more or less, portion of the HSU, covering the E/2 W/2 of Sections 15 and 22.

Devon will seek separate administrative approval for the Lusitano 34-15 Fed Com 510H Well, located in the Jennings; Bone Spring, West pool [Pool Cool: 97860], underlying the remaining 200-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 with 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](mailto:OCD.Engineer@emnrd.nm.gov).

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

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

[abadieschill.com](http://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,

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 510H Well, located in the E/2 W/2 of Sections 15, 22, 27 & NENW of Section 34, Township 25 South, Range 31 East, Paduca; Bone Spring Oil Pool [96641], 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 570702

**CONDITIONS**

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 570702
	Action Type: [UF-NSL] Non-Standard Location (NSL)

**CONDITIONS**

Created By	Condition	Condition Date
llowe	This NSL order was approved with a pending API number. The owner of the NSL shall update the OCD when an API number is assigned to the pending APD by sending an e-mail to <a href="mailto:ocd.engineer@emnrd.nm.gov">ocd.engineer@emnrd.nm.gov</a> . TITLED: (Updating NSL-XXX with API number of the Well Name). The text of the email shall contain: NSL order number, API number and Well Name. If the Well name does not match the name on the NSL order. The order will be annulled.	5/13/2026