

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF DEVON ENERGY PRODUCTION
COMPANY, L.P. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

Case No. _____

APPLICATION

Devon Energy Production Company, L.P. ("Devon"), OGRID No. 6137, through its undersigned attorneys, hereby files this Application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests in the Wolfcamp formation underlying a non-standard 960-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 23, the E/2 of Section 26 and the E/2 of Section 35, in Township 23 South, Range 33 East, NMPM, Lea County, New Mexico. In support of its Application, Devon states the following:

1. Devon is a working interest owner in the proposed horizontal spacing unit ("HSU") and has a right to drill wells thereon.
2. Devon proposes and dedicates to the HSU the **Sea Snake 35-23 Fed Com 25H Well** and **Sea Snake 35-23 Fed Com 27H Well** as the initial wells, to be drilled to a sufficient depth to test the Wolfcamp formation.
3. Devon proposes the **Sea Snake 35-23 Fed Com 25H Well**, an oil well, to be horizontally drilled from a surface location in the SW/4SE/4 (Unit O) of Section 35 to an approximate bottom hole location in or near the NW/4 NE/4 (Unit B) of Section 23.

4. Devon proposes the **Sea Snake 35-23 Fed Com 27H Well**, an oil well, to be horizontally drilled from a surface location in the SW/4SE/4 (Unit O) of Section 35 to an approximate bottom hole location in or near the NE/4 NE/4 (Unit A) of Section 23.

5. The wells proposed herein are orthodox in their locations; the take points and completed intervals will comply with setback requirements under statewide rules.

6. The unit proposed herein by Devon is a non-standard spacing unit. Devon will apply with the Division for administrative approval of the nonstandard spacing unit.

7. Devon has sought in good faith but has been unable to obtain voluntary agreement from all interest owners to participate in the drilling of the wells or in the commitment of their interests to the wells for their development within the proposed HSU.

8. The pooling of all interests in the Wolfcamp formation within the proposed HSU will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

9. In order to provide for its just and fair share of the oil and gas underlying the subject lands, Devon requests that all uncommitted interests in this HSU be pooled and that Devon be designated the operator of the proposed horizontal well and HSU.

WHEREFORE, Devon requests that this Application be set for hearing on September 3, 2026, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

A. Pooling all uncommitted mineral interests in the Wolfcamp formation underlying a non-standard 960-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 23, the E/2 of Section 26 and the E/2 of Section 35, in Township 23 South, Range 33 East, NMPM, Lea County, New Mexico.

B. Approving the **Sea Snake 35-23 Fed Com 25H Well** and **Sea Snake 35-23 Fed Com 27H Well**, as the wells for the HSU.

C. Designating Devon as operator of this HSU and the horizontal wells to be drilled thereon;

D. Authorizing Devon to recover its costs of drilling, equipping, and completing the wells;

E. Approving actual operating charges and costs of supervision, to the maximum extent allowable, while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

F. Setting a 200% charge for the risk assumed by Devon in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Olivia N. Atkins

Olivia N. Atkins

Andrew D. Schill
William E. Zimsky
Darin C. Savage
555 Rivergate Lane
Suite B4-180
Durango, CO 81301
Telephone: 970.385.4401
Facsimile: 970.385.4901
olivia@abadieschill.com
andrew@abadieschill.com
bill@abadieschill.com
darin@abadieschill.com

Attorneys for Devon Energy Production Company, L.P.

Application of Devon Energy Production Company, L.P., for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation underlying a non-standard 960-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 23, the E/2 of Section 26 and the E/2 of Section 35, in Township 23 South, Range 33 East, NMPM, Lea County, New Mexico. The proposed wells to be dedicated to the horizontal spacing unit are the **Sea Snake 35-23 Fed Com 25H Well** to be horizontally drilled from a surface location in the SW/4SE/4 (Unit O) of Section 35 to an approximate bottom hole location in or near the NW/4 NE/4 (Unit B) of Section 23 and **Sea Snake 35-23 Fed Com 27H Well** to be horizontally drilled from a surface location in the SW/4SE/4 (Unit O) of Section 35 to an approximate bottom hole location in or near the NE/4 NE/4 (Unit A) of Section 23. The wells are orthodox in their locations, as the take points and completed intervals will comply with setback requirements under statewide rules. The proposed unit is a non-standard spacing unit, and Applicant will apply with the Division for administrative approval of the non-standard spacing unit. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 38 miles Southwest of Hobbs, New Mexico.