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

## APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P. TO AMEND ORDER R-21562, LEA COUNTY, NEW MEXICO.

CASE NO.

## **APPLICATION**

Devon Energy Production Company, L.P. ("Devon" or "Applicant") (OGRID No. 6137), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, to amend Order R-21562 for a standard 800acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 3 and 10, and the NW/4 of Section 15, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. In support of this application, Devon states:

1. Division Order R-21562, entered on December 9, 2020, in Case No. 21534, created a 480-acre, more or less, standard horizontal well spacing unit consisting of the W/2 of Section 10 and the NW/4 of Section 15, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico (the "Unit"), and designated Applicant as the operator of the Unit, pooled the uncommitted interests in the Wolfcamp formation [WC-025 G-09 S263416B; Upper Wolfcamp Pool (98105)] in the Unit, and dedicated the Unit to the proposed initial wells.

2. Since the entry of Order R-21562, Applicant has determined that it is prudent to include the W/2 of Section 3 into this standard spacing unit to allow for the drilling of 2.5-mile horizontal wells.

3. As provided in Order R-21562, Applicant seeks to dedicate this Unit to these proposed initial wells to be drilled from the following locations:

- (1) The Blondie 15-3 Fed Com #2H well; and (2) the Blondie 15-3 Fed Com #3H well, which will be horizontally drilled from a common surface hole location in the SW/4 NW/4 (Unit E) of Section 15 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 3; and
- (3) The Blondie 15-3 Fed Com #4H well; and (4) the Blondie 15-3 Fed Com
  #5H well, which will be horizontally drilled from a common surface hole
  location in the SE/4 NW/4 (Unit F) of Section 15 to bottom hole locations in the
  NE/4 NW/4 (Unit C) of Section 3.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.

5. The pooling of interests in the proposed horizontal well spacing unit will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled and Applicant should be designated the operator of the proposed horizontal wells and spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 4, 2021, and, after notice and hearing as required by law, the Division enter an order granting this application.

Respectfully submitted,

## HOLLAND & HART LLP

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