

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

**APPLICATION OF DEVON ENERGY PRODUCTION
COMPANY, L.P. FOR COMPULSORY POOLING, AND
APPROVAL OF OVERLAPPING SPACING UNIT,
LEA COUNTY, NEW MEXICO.**

CASE NO. _____

APPLICATION

Pursuant to NMSA 1978, Section 70-2-17, Devon Energy Production Company, L.P. (OGRID No. 6137) (“Devon” or “Applicant”) applies for an order pooling all uncommitted interests in the Bone Spring formation, underlying a 471.92-acre, more or less, standard, overlapping horizontal spacing unit comprised of the W/2 of Section 27 and the N/2 NW/4 and Lots 3 and 4 (S/2 NW/4 equivalent) of irregular Section 34, Township 26 South, Range 34 East, Lea County, New Mexico (“Unit”). In support of this application, Devon states the following.

1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
2. The Unit will be dedicated to the **Boll Weevil 27-34 Fed Com 500H, Boll Weevil 27-34 100H, Boll Weevil 27-34 300H, and Boll Weevil 27-34 140H** U-Turn wells (“Wells”), which will be drilled from surface hole locations in the NW/4 NW/4 (Unit D) of Section 27 to bottom hole locations in the NE/4 NW/4 (Unit C) of Section 27.
3. The completed interval of the Wells will be orthodox.
4. The spacing unit for the Wells will partially overlaps with the spacing unit for the following wells, which produce from the WC-025 G-08 S263412K; Bone Spring Pool (Code 96672):

- a. Boll Weevil 27-34 Fed Com #001H (API No. 30-025-47948) located in the W/2 W/2 of Section 27, and the NW/4 NW/4 and Lot and 4 (W/2 NW/4 equivalent) of irregular Section 34, Township 26 South, Range 34 East; and
 - b. Boll Weevil 27-34 Fed Com #004H (API No. 30-025-47951) located in the E/2 W/2 of Section 27, and the NE/4 NW/4 and Lot 3 (E/2 NW/4 equivalent) of irregular Section 34, Township 26 South, Range 34 East.
5. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Wells but has been unable to obtain voluntary agreements from all interest owners.
6. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
7. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated as the operator of the Wells and Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 7, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Wells in the Unit;
- C. Approving the overlapping spacing unit;
- D. Designating Applicant as operator of the Unit and the Wells to be drilled thereon;
- E. Authorizing Applicant to recover its costs of drilling, equipping and completing the Wells;

- F. Approving the actual operating charged and costs of supervision while drilling and after completion, together with a provision adjusting the rated pursuant to the COPAS accounting procedures; and
- G. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the Well against any working interest owner who does not voluntarily participate in the drilling of the Wells.

Respectfully submitted,

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