



New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



July 8, 2011

Devon Energy Production Company, L.P.
Attn: Ms. Katie A. Mc Donnell
20 North Broadway
Oklahoma City, OK 73102-8260

Administrative Order NSL-6414
Administrative Application Reference No. pTWG11-16733128

Devon Energy Production Company, L.P.
OGRID 6137
Thistle Unit Well No. 25H
API No. 30-025-40136

Proposed Location:

	Footages	Unit	Sec.	Township	Range	County
Surface	150 FNL & 1170 FEL	A	21	23S	33E	Lea
Penetration Point	same as surface location					
Terminus	150 FSL & 150 FEL	P	21	23S	33E	Lea

Proposed Project Area:

Description	Acres	Pool	Pool Code
E/2 E/2 Sec 21	160	undesignated Brinninstool Delaware or undesignated Cruz Delaware	96193 1490

Reference is made to your application received on June 16, 2011.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 15.9.A [19.15.15.9.A NMAC], which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary, and Rule 15.16.14.B(2) [19.15.16.14.B(2) NMAC] concerning directional wells in designated project areas. This location is unorthodox because portions of the proposed producing area are less than 330 feet from an outer boundary of the project area.

Oil Conservation Division
1220 South St. Francis Drive • Santa Fe, New Mexico 87505
Phone (505) 476-3440 • Fax (505) 476-3462 • www.emnrd.state.nm.us/OCD



Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.15.13 NMAC] and 4.12.A(2) [19.15.4.12.A(2) NMAC].

It is our understanding that you are seeking this location for engineering reasons, in order to maximize the portion of the target zone that will be penetrated by the lateral portion of the wellbore, and that all perforations will be at standard locations.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 4.12.A(2), in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9 [19.15.15.9 NMAC].

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with a long horizontal stroke at the beginning and a sharp hook at the end.

Jami Bailey
Director

JB/db

cc: New Mexico Oil Conservation Division – Hobbs
United States Bureau of Land Management