State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary Heather Riley, Division Director Oil Conservation Division



Matthias Sayer Deputy Cabinet Secretary

March 1, 2018

Jeff Ramsdell Devon Energy Production Company, L.P. Jeff.Ramsdell@dvn.com

NON-STANDARD LOCATION

Administrative Order NSL-7648

Devon Energy Production Company, L.P. [OGRID 6137] Fighting Okra 18 19 Federal Well No. 2H API No. 30-025-43991

Non-Standard Location

Proposed Location:

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	330' FNL & 1665' FWL	С	18	26S	34E	Lea
Penetration Point	660' FNL & 1260' FWL	D	18	26S	34E	Lea
Final perforation	330' FSL & 960' FWL	4	19	26S	34E	Lea
Terminus	330' FSL & 960' FWL	4	19	26S	34E	Lea

Proposed Project Area:

Description	Acres	Pool	Pool Code
W/2 W/2 of Section 18	323.96	Bobcat Draw; Upper Wolfcamp	98094
W/2 W/2 of Section 19			

Reference is made to your application received on February 28, 2018.

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 19.15.15.9.A NMAC, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary.

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This well's completed interval is less than 330 feet from the E/2 W/2 edge of Section 18 and the E/2 of the NW/4 of Section 19 project area and therefore will cause an encroachment toward the following tracts:

Section 18, encroachment to the E/2 W/2 Section 19, encroachment to the E/2 NW/4

It is our understanding that notice of this application to offsetting operators or owners is unnecessary due to common working interest.

It is our understanding that the Applicant is seeking this location to maximize recovery from the Wolfcamp formation underlying the W/2 W/2 of Section 18 and the W/2 W/2 of Section 19.

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

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

The above approvals are subject to your following all other applicable Division rules.

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

HEATHER RILEY

Director

HR/lrl

cc: Oil Conservation Division – Hobbs District Office Bureau of Land Management – Carlsbad Field Office