

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



May 1, 2018

Melissa Miller
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NON-STANDARD LOCATION

Administrative Order NSL-7702

**Devon Energy Production Company, LP [OGRID 6137]
Mean Green 23 35 Federal Com Well No. 4H
API No. 30-025-44598**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	2449 FSL & 920 FEL	I	23	26S	34E	Lea
Penetration Point	2310 FSL & 1133 FEL	I	23	26S	34E	Lea
Final perforation	330 FSL & 1133 FEL	H/ Lot 1	35	26S	34E	Lea
Terminus	200 FSL & 1026 FEL	H/ Lot 1	35	26S	34E	Lea

Proposed Project Area

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E2 SE4 of Section 23, E2 E2 of Section 26, and Lot 1 and NE 4 NE 4 (E2 NE4 equivalent) of Section 35	315.2	WC-025 G-08 S263412K; Bone Spring	96672

Reference is made to your application received on April 25, 2018.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. Subsection A of 19.15.15.9 NMAC governs this pool and provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 294 feet to the western edge along the entire project area, and 441 feet to the diagonal encroachment to the northwest. Encroachments will impact the following tracts.

- Section 23, encroachment to the SW4 NE4, W2 SE4
- Section 26, encroachment to the W2 E2
- Section 35, encroachment to Lot 2 and NW4 NE4 (W2 NE4 equivalent)

Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (2) of Subsection A of 19.15.4.12 NMAC, in all adjoining units towards which the proposed location encroaches. However, all affected parties have identical ownership; therefore, notification is not required.

Division understands you seek this location to maximize recovery of oil and gas reserves by using the preferred well spacing for horizontal wells.

Your application has been filed under 19.15.15.13 NMAC and Paragraph (2) of Subsection A of 19.15.4.12 NMAC.

Per Subsection B of 19.15.15.13 NMAC, Division approves this unorthodox location.

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

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.



HEATHER RILEY
Director

HR/mam

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