

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Gabriel Wade, Acting Director
Oil Conservation Division



February 07, 2019

Mr. Joe Hammond
Joe.hammond@dmr.com

NON-STANDARD LOCATION

Administrative Order NSL-7807

**Devon Energy Production Company, LP. [OGRID 6137]
Spud Muffin 31 30 Well No. 735H
API No. 30-015-44754**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	475 FSL & 2465 FWL	N	31	23S	29E	Eddy
First Take Point	100 FSL & 2178 FEL	O	31	23S	29E	Eddy
Last Take Point	100 FNL & 2178 FEL	B	30	23S	29E	Eddy
Terminus	20 FNL & 2178 FEL	B	30	23S	29E	Eddy

Proposed Horizontal Gas Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E2 of Section 31 E2 of Section 30	640	Purple Sage; Wolfcamp (GAS)	98220

Reference is made to your application received on January 17, 2019.

You have requested to complete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules for the Purple Sage; Wolfcamp (Gas) Pool of and provides for 320-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 100 feet to the northern and southern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 6, 24S 29E, encroachment to the NE/4
Section 19, 23S 29E, encroachment to the SE/4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.


Division understands you seek this unorthodox location as an efficient spacing of your horizontal wells, thereby preventing waste within the Wolfcamp formation underlying the E2 of Section 31 and E2 of Section 30.

Your application has been filed under Subsection 6 of Paragraph of Section (C) of 19.15.16.15 NMAC, 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.



Gabriel Wade
Acting Director

GW/lrl

cc: Oil Conservation Division – Artesia District Office