

Approved

NSL

Order

Approved: 04/13/20

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

Adrienne E. Sandoval, Director
Oil Conservation Division



April 13, 2020

Mr. Darin Savage
darin@abadieachill.com

NON-STANDARD LOCATION

Administrative Order NSL-8022

**Devon Energy Production Company, L.P. [OGRID 6137]
Hot Potato 26 23 Federal Well No. 621H
API No. 30-015-PENDING**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	325 FSL & 992 FWL	M	26	23S	29E	Eddy
First Take Point	100 FSL & 1254 FWL	M	26	23S	29E	Eddy
Last Take Point	100 FNL & 1254 FWL	D	23	23S	29E	Eddy
Terminus	20 FNL & 1254 FWL	D	23	23S	29E	Eddy

Proposed Horizontal Gas Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 of Section 26	640	Purple Sage; Wolfcamp (GAS)	98220
W/2 of Section 23			

Reference is made to your application received on March 23, 2020.

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 southern and northern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 35, encroachment to the NW/4
Section 14, encroachment to the SW/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.

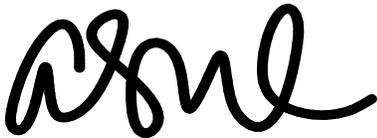
Division understands you seek this unorthodox location in order to maximize the lateral length of the spacing unit thus increasing the wells effective recovery of resources and thereby preventing waste within the Wolfcamp formation underlying the W/2 of Section 26 and Section 23.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) 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.



ADRIENNE E. SANDOVAL
Division Director

AES/lrl

cc: Oil Conservation Division – Artesia District Office
Bureau of Land Management – Carlsbad Field Office
OCD Case Number 21123

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Wednesday, April 15, 2020 7:14 AM
To: 'Darin Savage'
Cc: Bratcher, Mike, EMNRD; Podany, Raymond, EMNRD; 'lisa@rwbyram.com'; Goetze, Phillip, EMNRD; Murphy, Kathleen A, EMNRD; Terry Warnell; Rose-Coss, Dylan H, EMNRD; McClure, Dean, EMNRD; Simmons, Kurt, EMNRD; Lamkin, Baylen, EMNRD; Garcia, John A, EMNRD; Scott Cox; 'jglover@blm.gov'
Subject: APPROVED NSLs_Devon Energy Prod. Co_HOT POTATO 26 23 FED WELL NO.621H.622H.711H.712H_SEC 26 23S 29E
Attachments: NSL-8022_ORDER.pdf; NSL-8023_ORDER.pdf; NSL-8024_ORDER.pdf; NSL-8025_ORDER.pdf
Importance: High

Mr. Darin Savage,

The following NSL Administrative Orders have been issued and will soon be available on the Division's web site:

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

NSL	AMD	Applicant	OGRID	WELL NAME
8025	-	Devon Energy Prod. Co., L.P.	6137	Hot Potato 26 23 Federal Well No. 712H
8024	-	Devon Energy Prod. Co., L.P.	6137	Hot Potato 26 23 Federal Well No. 711H
8023	-	Devon Energy Prod. Co., L.P.	6137	Hot Potato 26 23 Federal Well No. 622H
8022	-	Devon Energy Prod. Co., L.P.	6137	Hot Potato 26 23 Federal Well No. 621H

A copy of each approved order is also attached.

Leonard R. Lowe

Engineering Bureau
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<http://www.emnrd.state.nm.us/ocd/>