

NSL

Initial

Application

|                              |                         |                     |                                  |
|------------------------------|-------------------------|---------------------|----------------------------------|
| RECEIVED:<br><b>03/29/21</b> | REVIEWER:<br><b>LRL</b> | TYPE:<br><b>NSL</b> | APP NO:<br><b>pLEL2109069358</b> |
|------------------------------|-------------------------|---------------------|----------------------------------|

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
- Geological & Engineering Bureau -  
1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Applicant:** Devon Energy Production Company, L.P. **OGRID Number:** 6137  
**Well Name:** Cotton Draw Unit 606H Well **API:** 30-015-Pending  
**Pool:** Purple Sage; Wolfcamp **Pool Code:** 98220

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW**

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location – Spacing Unit – Simultaneous Dedication  
 NSL       NSP (PROJECT AREA)       NSP (PRORATION UNIT)       SD
- B. Check one only for [ I ] or [ II ]
- [ I ] Commingling – Storage – Measurement  
 DHC    CTB    PLC    PC    OLS    OLM
- [ II ] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery  
 WFX    PMX    SWD    IPI    EOR    PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A.  Offset operators or lease holders  
 B.  Royalty, overriding royalty owners, revenue owners  
 C.  Application requires published notice  
 D.  Notification and/or concurrent approval by SLO  
 E.  Notification and/or concurrent approval by BLM  
 F.  Surface owner  
 G.  For all of the above, proof of notification or publication is attached, and/or,  
 H.  No notice required

**FOR OCD ONLY**

Notice Complete

Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

March 29, 2021

Darin Savage  
 Print or Type Name

/s/ Darin Savage  
 Signature

March 29, 2021  
 Date

970-385-4401  
 Phone Number

darin@abadieschill.com  
 e-mail Address



For the Pursuit of Energy

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Colorado      New Mexico  
Louisiana      Texas  
Kansas      Utah  
Nebraska      Wyoming  
Montana      California  
Oklahoma      North Dakota

March 29, 2021

Adrienne Sandoval, Director  
Oil Conservation Division  
New Mexico Department of Energy  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Copy to: Leonard Lowe, Division Hearing Examiner

**Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Cotton Draw Unit 606H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.**

Dear Director Sandoval:

Devon Energy Production Company, L.P., (“Devon”), OGRID No. 6137, is seeking administrative approval of an unorthodox well location (“NSL”) for the Cotton Draw Unit 606H Well (the “606H Well”) (API 30-015-Pending) to be completed within the Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220) underlying the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East, NMPM, Eddy County, New Mexico. A C-102 for the Well is attached as Exhibit A. This is a horizontal well that will be drilled as follows:

- Surface Location (SL): 385’ from the North line and 2560’ from the West line of Section 26, Township 24 South, Range 31 East;
- Bottom Hole Location (BHL): 2620’ from the North line and 2300’ from the West line of Section 35, Township 24 South, Range 31 East;
- First Take Point (FTP): 100’ from the North line and 2300’ from the West line of Section 26, Township 24 South, Range 31 East;
- Last Take Point (LTP): 2520’ from the North line and 2300’ from the West line of Section 35, Township 24 South, Range 31 East.

[abadieschill.com](http://abadieschill.com)

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

Devon has included as Exhibit B a letter explaining why this application is needed. This well will produce from the Purple Sage Wolfcamp Pool (Pool Code 98220). There are special pool rules for this pool under Order No. R-14262, that establish 330' foot setback requirements. The completed interval for the proposed well is closer than 330' from the boundary of the spacing unit.

The unorthodox location will encroach towards the (1) W/2 of Section 23, Township 24 South, Range 31 East; and (2) and the SW/4 of Section 35, Township 24 South, Range 31 East, as well as the W/2 of Section 2, Township 25 South, Range 31 East.

Devon attests that, on or before submission of this application, it provided notice to the affected persons (1) in the adjoining W/2 of Section 23, Township 24 South, Range 31 East, which includes spacing units that encompass the SW/4 of Section 23; and (2) SW/4 of Section 35, Township 24 South, Range 31 East (that being the adjacent quarter section), and the W/2 of Section 2, Township 25 South, Range 31 East, which includes adjacent spacing units in Sections 35 and 2; said notice as described satisfies all provisions of NMAC 19.15.4.12A(2); copies of the application and required plat maps were furnished. Devon also provided notice to the Bureau of Land Management to the extent that they own interest with respect to offsetting areas. Devon provides herein a sectional map of this area, attached as Exhibit C. Proof of mailing, along with a copy of the notice letter sent to listed affected persons and parties, is attached hereto as Exhibit D. The development plan for this well is pursuant to a Joint Operating Agreement; therefore, there is no associated pooling case number.

Your consideration in this matter is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read 'Darin C. Savage', written over a horizontal line.

Darin C. Savage  
Attorney for Applicant

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

**District II**  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

**District III**  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office  
 AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|  |  |  |  |  |   |
|--|--|--|--|--|---|
| <sup>1</sup> API Number<br><b>30-015-47296</b> |  | <sup>2</sup> Pool Code<br><b>98220</b>                                     |  | <sup>3</sup> Pool Name<br><b>PURPLE SAGE; WOLFCAMP (GAS)</b> |   |
| <sup>4</sup> Property Code<br><b>300635</b>    |  | <sup>5</sup> Property Name<br><b>COTTON DRAW UNIT</b>                      |  |  | <sup>6</sup> Well Number<br><b>606H</b> |
| <sup>7</sup> OGRID No.<br><b>6137</b>          |  | <sup>8</sup> Operator Name<br><b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b> |  |  | <sup>9</sup> Elevation<br><b>3539.9</b> |

<sup>10</sup> Surface Location

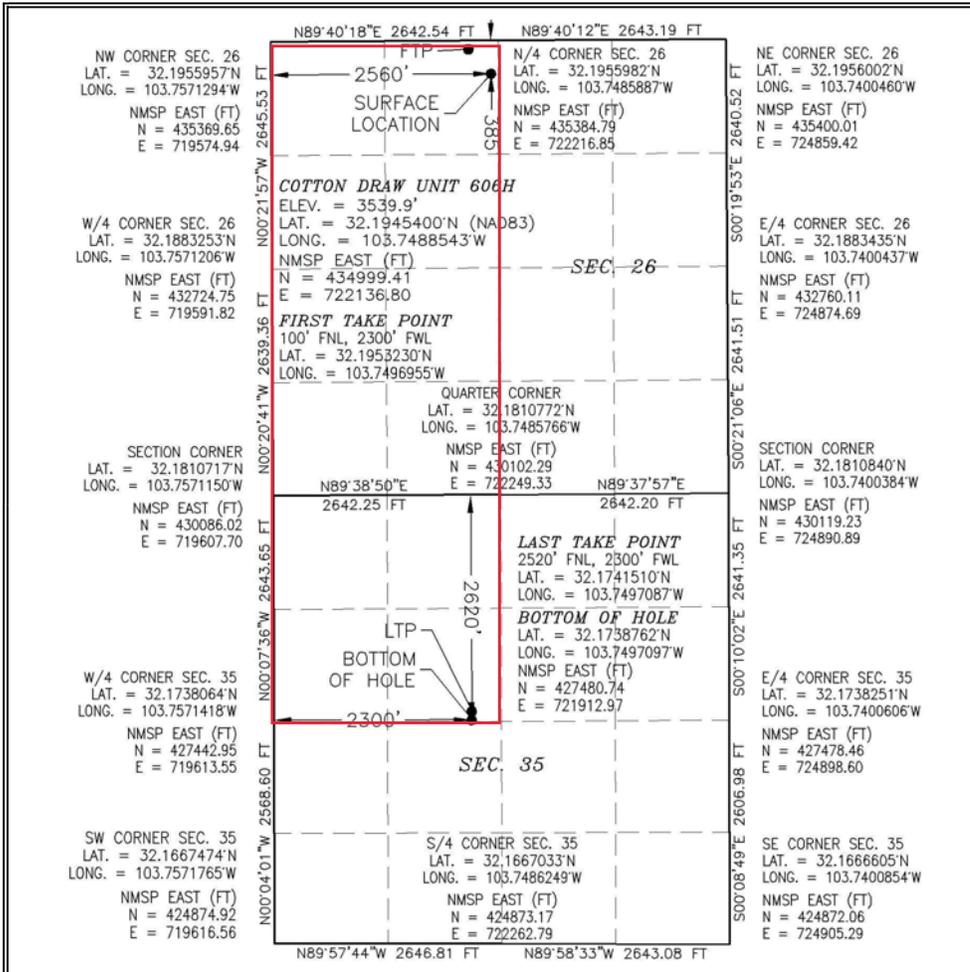
| UL or lot no. | Section   | Township    | Range       | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County      |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|-------------|
| <b>C</b>      | <b>26</b> | <b>24 S</b> | <b>31 E</b> |         | <b>385</b>    | <b>NORTH</b>     | <b>2560</b>   | <b>WEST</b>    | <b>EDDY</b> |

<sup>11</sup> Bottom Hole Location If Different From Surface

| UL or lot no. | Section   | Township    | Range       | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County      |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|-------------|
| <b>F</b>      | <b>35</b> | <b>24 S</b> | <b>31 E</b> |         | <b>2620</b>   | <b>NORTH</b>     | <b>2300</b>   | <b>WEST</b>    | <b>EDDY</b> |

|   |                               |                                  |                         |
|---|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br><b>480</b> | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No. |
|---|-------------------------------|----------------------------------|-------------------------|

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



**17 OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Jenny Harms* 1-15-2021  
Signature Date

**JENNY HARMS**  
Printed Name

**JENNY.HARMS@DVN.COM**  
E-mail Address

**18 SURVEYOR CERTIFICATION**  
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

OCTOBER 20, 2020  
Date of Survey

*James F. Jaramilla*  
Signature and Seal of Professional Surveyor

Certificate Number: **LS 12797**



Intent  As Drilled

|   |                                    |                     |
|---|------------------------------------|---------------------|
| API #   |                                    |                     |
| Operator Name:<br>DEVON ENERGY PRODUCTION COMPANY, L.P. | Property Name:<br>COTTON DRAW UNIT | Well Number<br>606H |

Kick Off Point (KOP)

| UL                      | Section | Township | Range | Lot | Feet                       | From N/S | Feet     | From E/W | County    |
|-------------------------|---------|----------|-------|-----|----------------------------|----------|----------|----------|-----------|
|                         | 26      | 24S      | 31E   |     | 36 FNL                     |          | 2300 FWL |          | EDDY      |
| Latitude<br>32.19540455 |         |          |       |     | Longitude<br>-103.74969549 |          |          |          | NAD<br>83 |

First Take Point (FTP)

| UL                     | Section | Township | Range | Lot | Feet                     | From N/S | Feet | From E/W | County    |
|------------------------|---------|----------|-------|-----|--------------------------|----------|------|----------|-----------|
| C                      | 26      | 24S      | 31E   |     | 100                      | NORTH    | 2300 | WEST     | EDDY      |
| Latitude<br>32.1953230 |         |          |       |     | Longitude<br>103.7496955 |          |      |          | NAD<br>83 |

Last Take Point (LTP)

| UL                     | Section | Township | Range | Lot | Feet                     | From N/S | Feet | From E/W | County    |
|------------------------|---------|----------|-------|-----|--------------------------|----------|------|----------|-----------|
| F                      | 35      | 24S      | 31E   |     | 2520                     | NORTH    | 2300 | WEST     | EDDY      |
| Latitude<br>32.1741510 |         |          |       |     | Longitude<br>103.7497087 |          |      |          | NAD<br>83 |

Is this well the defining well for the Horizontal Spacing Unit?  NO

Is this well an infill well?  YES

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

|                |                |             |
|----------------|----------------|-------------|
| API #          |                |             |
| Operator Name: | Property Name: | Well Number |

KZ 06/29/2018



Devon Energy Production Company, L.P.  
333 West Sheridan Avenue  
Oklahoma City, OK 73102-5015

March 22, 2021

Mr. Leonard Lowe  
New Mexico Oil Conservation Division  
1220 South Francis Drive  
Santa Fe, New Mexico 87505

RE: Application for Nonstandard Spacing  
and Nonstandard Location  
Engineering Statement  
Devon Energy Production Company, L.P.  
Cotton Draw Unit 601H, 603H, 604H,  
605H, & 606H (the "Cotton Draw Unit Wells")  
W/2 of Sections 26 & NW/4 of Section 35-24S-31E  
Eddy County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, L.P. respectfully requests administrative approval of a non-standard spacing ("NSP") and non-standard location ("NSL") for each of the Cotton Draw Unit Wells referenced above. The Cotton Draw Unit Wells are in the Purple Sage-Wolfcamp Gas Pool (Pool Code 98220). It is Devon's responsibility as a prudent operator to minimize reserves left in the ground. Decreasing the spacing from 320 acres to 160 acres will allow for additional recovery in the NW/4 thereby increasing ultimate recovery of reserves and thereby preventing waste of natural resources. Also, decreasing the first and last take point will increase the wells effective lateral length by 460 feet thereby increasing ultimate recovery of reserves and thereby preventing waste of natural resources.

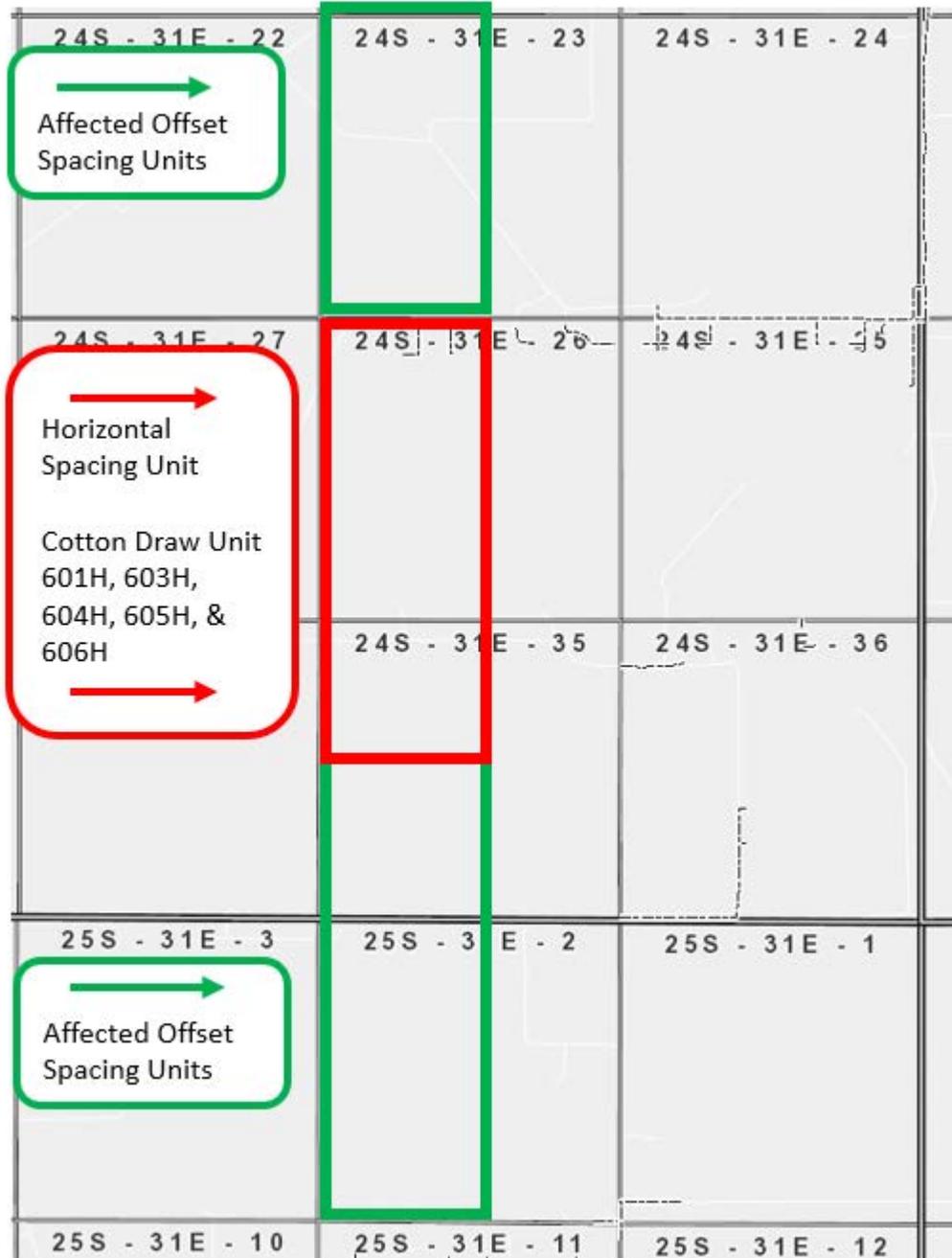
Sincerely,

A handwritten signature in blue ink that reads "Paige Bowes". The signature is written in a cursive, flowing style.

Paige Bowes  
Reservoir Engineer

EXHIBIT  
**B**

Devon Energy Production Company, L.P.  
Unorthodox Location Notice Plat



| Name                         | Address   | USPS Certified Mail Number | Date Mailed | Status | Service        |
|------------------------------|---|----------------------------|-------------|--------|----------------|
| XTO Holdings LLC             | 22777 Springwoods Village Pkwy Spring, TX 77389       | 9414711699000710050055     | 3.29.21     |        | Certified Mail |
| Chevron USA Inc.             | 1400 Smith St. Houston, TX 77002                      | 9414711699000710050086     | 3.29.21     |        | Certified Mail |
| EOG Resources Inc.           | 5509 Champions Dr. Midland, TX 79706                  | 9414711699000710050420     | 3.29.21     |        | Certified Mail |
| OXY Y-1 Company              | 5 E.Greenway Plaza Suite 110 Houston, TX 77046        | 9414711699000710050482     | 3.29.21     |        | Certified Mail |
| Viadin LLC                   | PO Box 100 Artesia, NM 88210                          | 9414711699000710050550     | 3.29.21     |        | Certified Mail |
| Foran Oil Company            | 5400 Lyndon B Johnson Fwy Suite 1500 Dallas, TX 75240 | 9414711699000710050581     | 3.29.21     |        | Certified Mail |
| ABO Petroleum LLC            | PO Box 900 Artesia, NM 88211                          | 9414711699000710058266     | 3.29.21     |        | Certified Mail |
| New Mexico State Land Office | 310 Old Santa Fe Trail Santa Fe, NM 87501             | 9414711699000710058297     | 3.29.21     |        | Certified Mail |
| Bureau of Land Management    | 620 E. Greene St. Carlsbad, NM 88220                  | 9414711699000710058853     | 3.29.21     |        | Certified Mail |
| Bureau of Land Management    | 301 Dinosaur Trail, Santa Fe, NM 87508                | 9414711699000710058792     | 3.29.21     |        | Certified Mail |





For the Pursuit *of* Energy

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|           |              |
|-----------|--------------|
| Colorado  | New Mexico   |
| Louisiana | Texas        |
| Kansas    | Utah         |
| Nebraska  | Wyoming      |
| Montana   | California   |
| Oklahoma  | North Dakota |

March 29, 2021

**VIA CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

**NOTICE TO AFFECTED PERSONS/PARTIES  
RE: APPLICATIONS FOR ADMINISTRATIVE  
APPROVAL OF UNORTHODOX WELL LOCATIONS**

- 1) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Cotton Draw Unit 601H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.**
- 2) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Cotton Draw Unit 603H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.**
- 3) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Cotton Draw Unit 604H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.**
- 4) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Cotton Draw Unit 605H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.**
- 5) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Cotton Draw Unit 606H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.**

[abadieschill.com](http://abadieschill.com)

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

To the Parties/Persons this may concern:

Enclosed in this notice are copies of the above referenced applications filed with the New Mexico Conservation Division on the date referenced above. You are being notified in your capacity as a person or party in an adjoining section or unit pursuant to our request for approval of an unorthodox location of the above-referenced wells. Any objections that you have to one or more of these applications must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the applications filed for administrative approval by the Division. Email correspondence for this matter can be sent to the Division at [OCD.Engineer@state.nm.us](mailto:OCD.Engineer@state.nm.us).

If you have any questions concerning this application, please contact:

Verl Brown  
Supervising Landman  
Devon Energy Production Company, L.P.  
(405) 228-8804  
[Verl.Brown@dvn.com](mailto:Verl.Brown@dvn.com)

If you have no objections to these applications, please sign the waiver as indicated below and return the original to the address listed on this letterhead. Your assistance and cooperation in this matter are appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read 'Darin C. Savage', written over a horizontal line.

Darin C. Savage

Attorney for Devon Energy  
Production Company, L.P.

Waiver

\_\_\_\_\_ hereby waives objection to the above referenced Application for an Unorthodox Location for the Cotton Draw Unit 601H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.

Dated: \_\_\_\_\_ Signature: \_\_\_\_\_

\_\_\_\_\_ hereby waives objection to the above referenced Application for an Unorthodox Location for the Cotton Draw Unit 603H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.

Dated: \_\_\_\_\_ Signature: \_\_\_\_\_

\_\_\_\_\_ hereby waives objection to the above referenced Application for an Unorthodox Location for the Cotton Draw Unit 604H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.

Dated: \_\_\_\_\_ Signature: \_\_\_\_\_

\_\_\_\_\_ hereby waives objection to the above referenced Application for an Unorthodox Location for the Cotton Draw Unit 605H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.

Dated: \_\_\_\_\_ Signature: \_\_\_\_\_

\_\_\_\_\_ hereby waives objection to the above referenced Application for an Unorthodox Location for the Cotton Draw Unit 606H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.

Dated: \_\_\_\_\_ Signature: \_\_\_\_\_