

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- 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

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
- [D] Other: Specify _____
- NSL -
DEVON (6197)
WELL: GAUCHO UNIT 29 H
POOL: WC-025-G-06 S223421L;
Bone Spring
97922
API # 30-025-Pending

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **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.

Jeff Ramsdell
 Print or Type Name

Signature

Land Supervisor
 Title

3-16-2016
 Date

Jeff.Ramsdell@dvn.com
 e-mail Address



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

405 235 3611 Phone
www.devonenergy.com

RECEIVED OOD

March 16, 2016

2016 MAR 18 A 8:35

VIA FED EX OVERNIGHT MAIL

New Mexico Oil Conservation Division
Attn: Leonard Lowe
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Application for a Non-Standard Location
Gaucho Unit 29H
E/2 W/2 Section 17-22S-34E
Lea County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon") plans to drill the referenced horizontal well to an approximate total vertical depth of 11,382' and an approximate total measured depth of 16,576' in order to test the Third Bone Spring Sandstone formation. As reflected on the attached C-102, the well is being permitted at a surface location of 635' FNL & 1523' FWL of Section 20-22S-34E with a bottom hole location of 330' FNL & 1436' FWL of Section 17-22S-34E. The projected first perforation is estimated at 52' FSL & 1402' FWL in Section 17 and the projected last perforation is estimated at 330' FNL & 1402' FWL Section 17.

The reason behind permitting this well at an unorthodox location is to maximize recovery.

In accordance with 19.15.15.13 NMAC, Devon respectfully requests that the Commission administratively approve this application for an unorthodox location with respect to that portion of the horizontal wellbore as described above.

Please be advised that all of Section 17-22S-34E is in the Gaucho Unit which Devon operates and owns 100% working interest. Furthermore, the N/2 NW/4 of Section 20-22S-34E which is affected by the non-standard location is in the Gaucho Unit. The leasehold owner for the other affected tract, the S/2 SW/4 Section 8-22S-34E, listed on Exhibit A has been notified of this application. Attached for your convenience is a plat showing the affected tracts.

If you have any questions concerning this application, please contact the undersigned at (405) 228-4397 or at cari.allen@dvn.com.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Cari Allen
Landman

↑
I called
04/07/16
T= 12:30 P.M.
JULIA V. M.

EXHIBIT A

Cimarex Energy Company
600 N. Marienfeld Street
Midland, TX 79701

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

¹ API Number 30-025-Pending		² Pool Code 97922		³ Pool Name WC-25G-6S22342IL ; Bone Spring	
⁴ Property Code		⁵ Property Name GAUCHO UNIT			⁶ Well Number 29H
⁷ OGRID No. 6137		⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			⁹ Elevation 3463.8

" Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	20	22 S	34 E		635	NORTH	1523	WEST	LEA

" 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
C	17	22 S	34 E		330	NORTH	1436	WEST	LEA

¹⁰ Dedicated Acres 160	¹¹ Joint or Infill	¹² Consolidation Code	¹³ 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.

USA NMNM 92781

USA NMNM 61360

GAUCHO UNIT 29H 61360
ELEV. = 3463.8'
LAT. = 32.3827039°N (NAD83)
LONG. = 103.4956937°W
NMSP EAST (FT)
N = 503971.54
E = 799915.43

SEC. 20

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE.

SECTION CORNER
LAT. = 32.3844523°N
LONG. = 103.5006233°W
NMSP EAST (FT)
N = 504595.75
E = 798388.98

W/4 CORNER SEC. 20
LAT. = 32.3771965°N
LONG. = 103.5006384°W
NMSP EAST (FT)
N = 501956.01
E = 798404.55

SW CORNER SEC. 20
LAT. = 32.3699366°N
LONG. = 103.5006503°W
NMSP EAST (FT)
N = 499314.79
E = 798421.43

SE CORNER SEC. 20
LAT. = 32.3699343°N
LONG. = 103.4836025°W
NMSP EAST (FT)
N = 499355.33
E = 803684.98

W/4 CORNER SEC. 17
LAT. = 32.3917093°N
LONG. = 103.5006093°W
NMSP EAST (FT)
N = 507235.94
E = 798372.45

W/4 CORNER SEC. 17
LAT. = 32.3989717°N
LONG. = 103.5005936°W
NMSP EAST (FT)
N = 509878.09
E = 798356.73

QUARTER CORNER
LAT. = 32.3844466°N
LONG. = 103.4920936°W
NMSP EAST (FT)
N = 504614.27
E = 801021.83

NE CORNER SEC. 17
LAT. = 32.3989575°N
LONG. = 103.4835194°W
NMSP EAST (FT)
N = 509914.39
E = 803626.75

E/4 CORNER SEC. 17
LAT. = 32.3917126°N
LONG. = 103.4835282°W
NMSP EAST (FT)
N = 507278.62
E = 803644.97

SECTION CORNER
LAT. = 32.3844435°N
LONG. = 103.4835441°W
NMSP EAST (FT)
N = 504634.93
E = 803661.09

NE/4 CORNER SEC. 17
LAT. = 32.3989674°N
LONG. = 103.4920528°W
NMSP EAST (FT)
N = 509897.17
E = 800992.86

W/4 CORNER SEC. 17
LAT. = 32.3917093°N
LONG. = 103.5006093°W
NMSP EAST (FT)
N = 507235.94
E = 798372.45

W/4 CORNER SEC. 17
LAT. = 32.3989717°N
LONG. = 103.5005936°W
NMSP EAST (FT)
N = 509878.09
E = 798356.73

W/4 CORNER SEC. 17
LAT. = 32.3917093°N
LONG. = 103.5006093°W
NMSP EAST (FT)
N = 507235.94
E = 798372.45

W/4 CORNER SEC. 17
LAT. = 32.3989717°N
LONG. = 103.5005936°W
NMSP EAST (FT)
N = 509878.09
E = 798356.73

" 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 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.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

" 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.

FEBRUARY 29 2016

Date of Survey _____

Signature and Seal of Professional Surveyor
Edinson F. Jaramillo

Certificate Number: EDINSON F. JARAMILLO, PLS 12797

SURVEY NO. 3536D

-- Project Area
 -- Producing Area

Lowe, Leonard, EMNRD

From: Allen, Cari <Cari.Allen@dvn.com>
Sent: Thursday, April 07, 2016 3:00 PM
To: Lowe, Leonard, EMNRD
Cc: Cook, David
Subject: Devon NSL applications

Hello Leonard. Sorry I missed your call.

Both the Gaucho Unit 29H and 30H will be in WC-025 G-06 S223421L; Bone Spring Pool (#97922)

The Federal APDs should be approved in the near future and we will request API#s from the state at that time.

Thanks,

Cari

From: Lowe, Leonard, EMNRD [mailto:Leonard.Lowe@state.nm.us]
Sent: Thursday, April 07, 2016 2:51 PM
To: Allen, Cari <Cari.Allen@dvn.com>
Subject: [EXTERNAL] Devon NSL applications

Cari Allen

Good afternoon

I have 2 NSL applications on my desk, (1) Gaucho Unit 29H (2) Gaucho Unit 30H.

Please verify the Pool Code for each.

Would you happen to have API numbers for either?

Leonard Lowe

Engineering Bureau
Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St. Frances
Santa Fe, New Mexico 87004
Office: 505-476-3492
Fax: 505-476-3462
E-mail: leonard.lowe@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/>