

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Dylan M. Fuge
Deputy Secretary

Dylan Fuge, Division Director (Acting)
Oil Conservation Division



Mr. Darin Savage
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ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 8697

Devon Energy Production Company, L.P. [OGRID 6137]
Stray Cat 8 5 Federal Com Well No. 774H
API No. 30-025-PENDING

Reference is made to your application received on December 19th, 2023.

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	298 FSL & 976 FEL	P	08	23S	32E	Lea
First Take Point	100 FSL & 200 FEL	P	08	23S	32E	Lea
Last Take Point	100 FNL & 200 FEL	1	05	23S	32E	Lea
Terminus	20 FNL & 200 FEL	1	05	22S	32E	Lea

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 of Section 08	638.99	Wildcat; Upr Wolfcamp	98248
E/2 of Section 05			

You have requested to drill this horizontal well at an unorthodox well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal **oil** well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an **oil** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal well shall be no closer than 100 feet for an **oil** in the horizontal plane, to any outer boundary of the horizontal spacing unit.

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The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of First and Last Take Points referenced above within the described Horizontal Spacing Unit.

This well's completed interval is as close as 200 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 09, encroachment to the W/2 W/2
Section 04, encroachment to the W/2 W/2

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches. The Applicant/Operator of this well is a 100% Working Interest within all the affected tracts; therefore notice is not required.

Division understands you are seeking this unorthodox location in order to minimize reserves left in the ground, thereby increasing the ultimate recovery and preventing waste of natural resources within the Wolfcamp formation underlying the E/2 Section 08 and the E/2 Section 05.

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 19.15.15.13 (B) NMAC, **Division approves this unorthodox location.**

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

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.



DYLAN M. FUGE
DIRECTOR (ACTING)
DMF/lrl

Date: 2/2/24

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 312835

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 312835
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	2/8/2024