

State of New Mexico  
Energy, Minerals and Natural Resources Department

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Governor

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Division Director (Acting)  
Oil Conservation Division



Mr. Darin Savage  
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**ADMINISTRATIVE NON-STANDARD LOCATION**

Administrative Order NSL – 8777

**Devon Energy Production Company, L.P. [OGRID 6137]**  
**Mule 11 23 Federal Com Well No. 304H**  
**API No. 30-015-PENDING**

Reference is made to your application received on June 21<sup>st</sup>, 2024.

**Proposed Location**

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	450 FNL & 966 FEL	A	11	25S	31E	Eddy
First Take Point	100 FNL & 2600 FEL	B	11	25S	31E	Eddy
Last Take Point	1208 FNL & 2600 FEL	B	23	25S	31E	Eddy
Terminus	1288 FNL & 2600 FEL	B	23	25S	31E	Eddy

**Proposed Horizontal Units**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 of Section 11	720	Paduca; Bone Spring	96641
E/2 of Section 14			
N/2 NE/4 of Section 23			

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

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well shall be no closer than 100 feet in the horizontal plane, to any outer boundary of the horizontal spacing unit.

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 Take Points referenced above, within the described Horizontal Spacing Unit.

This well's completed interval is as close as 40 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 11, encroachment to the E/2 W/2  
Section 14, encroachment to the E/2 W/2  
Section 23, encroachment to the NE/4 NW/4

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.

Division understands you are seeking this unorthodox location for optimal recovery of resources, thus preventing waste and protecting correlative rights within the Bone Spring formation underlying the E/2 of Section 11, E/2 of Section 14 and the N/2 NE/4 of 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 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.



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**GERASIMOS RAZATOS**  
**DIRECTOR (ACTING)**  
GR/lrl

**Date:** 8/21/2024

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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 376299

**CONDITIONS**

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 376299
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

**CONDITIONS**

Created By	Condition	Condition Date
llowe	None	8/21/2024