

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Erin Taylor
Acting Cabinet Secretary

Ben Shelton
Deputy Secretary

Albert C.S. Chang
Division Director
Oil Conservation Division



ADMINISTRATIVE NON-STANDARD LOCATION

Jaclyn M. McLean
jmclean@hardymclean.com

Administrative Order NSL – 9293

**Devon Energy Production Company, L.P. [OGRID 6137]
Gato Grande 9 4 Federal Com Well No. 524H
API No. 30-025-51318**

Reference is made to your application received on March 3rd, 2026.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	406 FSL & 2447 FWL	N	09	23S	32E	Lea
First Take Point	100 FSL & 2430 FWL	N	09	23S	32E	Lea
Last Take Point	100 FNL & 2430 FWL	C/3	04	23S	32E	Lea
Terminus	20 FNL & 2430 FWL	C/3	04	23S	32E	Lea

Proposed Horizontal Spacing Unit

Description	Acres	Pool	Pool Code
E/2 W/2 Section 09	319.47	Wildcat; Bone Spring	97933
E/2 W/2 Section 04			

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 dedicate a horizontal well at a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates,

Administrative Order NSL – 9293
Devon Energy Production Company, L.P.
Page 2 of 2

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 a well within 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 210 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

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

It is understood that the permission for a non-standard location is to minimize reserves left in the ground by decreasing setbacks within the unit to allow for ultimate recovery of reserves within the Bone Spring formation underlying the E/2 W/2 Section 09 and the E/2 W/2 Section 04.

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 the Division deems necessary.



Albert C.S. Chang
Division Director
AC/lrl

Date: 04/17/2026

ID NO. 559358

NSL - 9293

Revised March 23, 2017

RECEIVED: 03/03/26	REVIEWER:	TYPE:	APP NO:
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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: Gato Grande 9 4 Fed Com 524H **API:** 30-025-51318
Pool: WC-025 G-07 S233204D; Bone Spring **Pool Code:** 97933

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

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	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.

Jaclyn M. McLean

Print or Type Name

March 3, 2026

Date

505-372-6375

Phone Number

Jaclyn M. McLean

Signature

Digitally signed by Jaclyn M. McLean
Date: 2026.03.03 09:21:20 -0700

jmclean@hardymclean.com

e-mail Address



March 2, 2026

VIA ONLINE FILING

Albert C.S. Chang
Division Director
Oil Conservation Division
Energy, Minerals and Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

**Re: Devon Energy Production Company, L.P.
Request for Administrative Approval of Unorthodox Well Location**

Gato Grande 9 4 Fed Com 524H (API No. 30-025-51318)
E/2 W/2 of Sections 4 and 9, Township 23 South, Range 32 East, Lea County, New Mexico
WC-025 G-07 S233204D; Bone Spring Pool Code 97933)

Dear Mr. Chang,

In accordance with Division Rules 19.15.16.15(C)(6) and 19.15.15.13 NMAC, Devon Energy Production Company, L.P. ("Devon") (OGRID No. 6137) seeks administrative approval of an unorthodox well location for the Gato Grande 9 4 Fed Com 524H well, in a 319.47 acre, more or less, standard horizontal spacing unit, comprised of the E/2 W/2 of Sections 4 and 9, Township 23 South, Range 32 East, Lea County, New Mexico.

The location for the **Gato Grande 9 4 Fed Com 524H** well is as follows:

- Surface Hole Location: 406' FSL and 2,447' FWL, Section 9, Township 23 South, Range 32 East
- First Take Point: 100' FSL and 2,430' FWL, Section 9, Township 23 South, Range 32 East
- Last Take Point: 100' FNL and 2,430' FWL, Section 4, Township 23 South, Range 32 East
- Bottom Hole Location: 20' FNL and 2,430' FWL, Section 4, Township 23 South, Range 32 East

125 Lincoln Avenue, Suite 223
Santa Fe, NM 87501
505-230-4410

HardyMcClean.com

Writer:
Jaclyn M. McLean
Managing Partner
jmclean@hardymcClean.com

Hardy McLean LLC
March 2, 2026

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The completed interval of the well will be unorthodox because it will be located less than 330 feet from the eastern boundary of the existing, offset spacing unit. As explained in the engineering statement, included as **Exhibit A**, approval of the unorthodox, completed interval is necessary to allow Devon to achieve tighter spacing between the planned wells for this section. This spacing pattern will optimize production in this section, which will prevent waste and protect correlative rights.

Exhibit B is a Form C-102 showing the location of the Gato Grande 9 4 Fed Com 524H well in relation to the offset tract.

Exhibit C is a plat that shows the Gato Grande 9 4 Fed Com 524H well in relation to the adjoining tract. Devon is the offset operator and 100% working interest owner. The notice list attached as Exhibit D identifies all affected parties who were provided notice of this application.

Exhibit D is a list that identifies all affected parties who were sent a copy of this application and attachments by certified mail, advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application, along with the date notice was sent, and a copy of the notice letter to affected parties.

Thank you for your attention to this matter. Please let me know if you require additional information.

Very truly yours,

HARDY MCLEAN LLC

/s/ Jaclyn M. McLean

Jaclyn M. McLean

ATTORNEYS FOR DEVON ENERGY
PRODUCTION COMPANY, L.P.



Devon Energy Production Company LP 405 552 8002 Phone
333 West Sheridan Avenue www.devonenergy.com
Oklahoma City, OK 73102

January 19, 2026

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

EXHIBIT A

RE: Application for Non-Standard Location
Engineering Statement
Devon Energy Production Company, L.P.
Gato Grande Fed Com 9-4 524H
E2W2 Sections 4 & 9, T23S-R32E
Lea County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, LP (“Devon”) respectfully requests administrative approval of a non-standard location for the Gato Grande Fed Com 9-4 524H (the “Well”) referenced above. The Well is in the WC-025 G-07 S233204D; Bone Spring Pool (Pool Code 97933) with first and last take points at roughly 2,430’ FWL, in between approved Bone Spring horizontal spacing units. Devon’s responsibility as a prudent operator is to minimize reserves left in the ground. Decreasing the perpendicular setback from 330’ will allow for tighter well spacing, thereby increasing the ultimate recovery of reserves and thereby preventing the waste of natural resources.

Respectfully,

Devon Energy Production Company, L.P.

Steven F. Young
Reservoir Engineer

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024 Submittal Type: <input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
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WELL LOCATION INFORMATION

API Number 30-025-51318	Pool Code [97933]	Pool Name WC-025 G-07 S233204D;BONE SPRING
Property Code	Property Name GATO GRANDE 9 4 FED COM	Well Number 524H
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Ground Level Elevation 3,680'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
N	9	23S	32E		406' FSL	2,447' FWL	32.312986°	-103.680246°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
	4	23S	32E	LOT 3	20' FNL	2,430' FWL	32.340793°	-103.680320°	LEA

Dedicated Acres 319.47	Infill or Defining Well Infill	Defining Well API 30-025-54520	Overlapping Spacing Unit (Y/N) Y	Consolidation Code C
Order Numbers. Pending		Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
N	9	23S	32E		50' FSL	2,430' FWL	32.312006°	-103.680302°	LEA

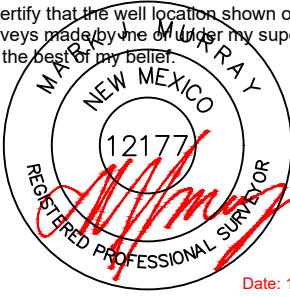
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
N	9	23S	32E		100' FSL	2,430' FWL	32.312143°	-103.680302°	LEA

Last Take Point (LTP)

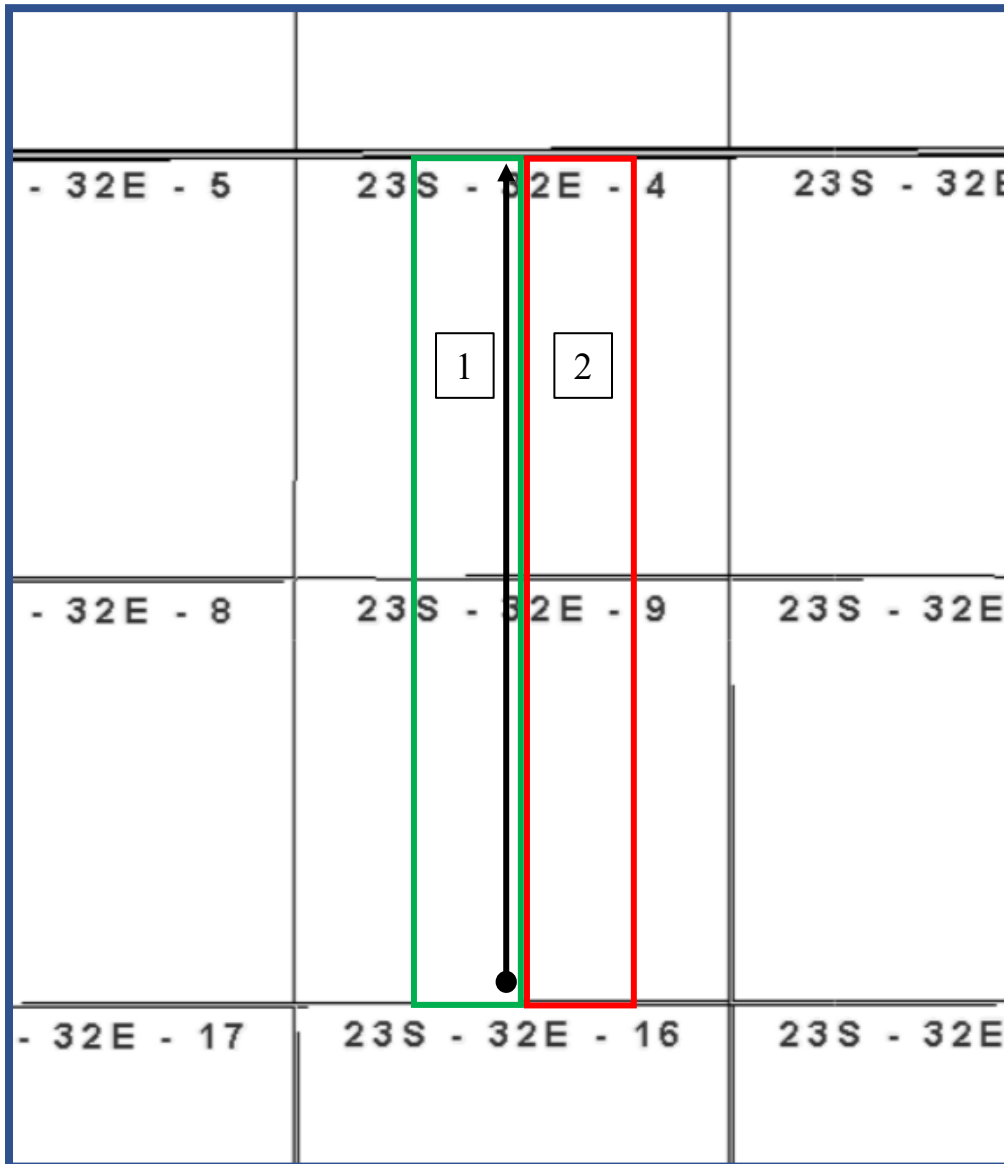
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
	4	23S	32E	LOT 3	100' FNL	2,430' FWL	32.340573°	-103.680319°	LEA

Unitized Area or Area of Uniform Interest N	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p>OPERATOR CERTIFICATIONS</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</p> <p style="text-align: right;"><i>Lauren Watson</i> 12/2/2025</p>	<p>SURVEYOR CERTIFICATIONS</p> <p>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.</p> <div style="text-align: center;">  <p>EXHIBIT B</p> <p style="color: red;">Date: 11/13/2025</p> </div>		
Signature Lauren Watson	Signature and Seal of Professional Surveyor		
Printed Name Lauren.Watson@dvn.com	Certificate Number 29796	Date of Survey 11/13/2025	Revision Number 2
Email Address			

Note: 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.

Gato Grande 9 4 Fed Com 524H: NSL



1. Horizontal Spacing Unit
Devon Operated- Gato Grande 9-4
E2W2 Sections 4 & 9
T23S-R32E

2. Affected Offsetting H. Spacing Unit
Devon Operated- Gato Grande 9-4
W2E2 Sections 4 & 9
T23S-R32E

EXHIBIT C

Gato Grande 9-4 Fed Com 524H					
Non-Standard Location					
Affected Parties					
Type	Owner	HSU	Address	Date Notice Sent	Tracking
Operator & Working Interest	Devon Energy Production Company, LP	1 & 2	333 West Sheridan Ave. Oklahoma City, OK 73102	N/A	
NMOCD	New Mexico Oil Conservation Division		1220 South St. Francis Dr. Santa Fe, New Mexico 87505	3/3/2026	9414836208551295932605
BLM	Bureau of Land Management	1 & 2	620 E. Greene Street Carlsbad, New Mexico 88220-6292	3/3/2026	9414836208551295932622

EXHIBIT D



March 3, 2026

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

**Re: Devon Energy Production Company, L.P.
Requests for Administrative Approval of Unorthodox Well Locations**

Enclosed are copies of administrative applications requesting approval of non-standard well locations for the following Devon Energy Production Company, L.P. ("Devon") wells:

- Gato Grande 9 4 Fed Com 512H
- Gato Grande 9 4 Fed Com 514H
- Gato Grande 9 4 Fed Com 515H
- Gato Grande 9 4 Fed Com 522H
- Gato Grande 9 4 Fed Com 524H
- Gato Grande 9 4 Fed Com 526H

Administrative applications for the above-referenced non-standard locations were filed with the New Mexico Oil Conservation Division on this date. Any objections to these applications must be filed in writing within twenty (20) days from the date this application is received by the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. If no objections are received within this twenty-day period, these applications may be approved administratively by the Division.

If you have any questions about this application, please contact Aaron L. Young, Advising Landman, Devon Energy Production Company, L.P. at aaron.young@dvn.com.

Sincerely,

HARDY MCLEAN LLC

/s/ Jaclyn M. McLean

Jaclyn M. McLean

*Attorneys for Devon Energy Production Company,
L.P.*

125 Lincoln Avenue, Suite 223
Santa Fe, NM 87501
505-230-4410

HardyMclean.com

Writer:
Jaclyn M. McLean
Managing Partner
jmclean@hardymclean.com

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

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

CONDITIONS

Action 559358

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 559358
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	3/4/2026