

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



A. Raylee Starnes
arstarnes@hollandhart.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 9305

**Devon Energy Production Company, L.P. [OGRID 6137]
Cotton Draw 25 36 Federal Com Well No. 738H
API No. 30-015-57494**

Reference is made to your application received on March 12th, 2026.

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	350 FNL & 2565 FWL	C	25	24S	31E	Eddy
First Take Point	100 FNL & 1980 FEL	B	25	24S	31E	Eddy
Last Take Point	100 FSL & 1980 FEL	O/3	36	24S	31E	Eddy
Terminus	20 FSL & 1980 FEL	O/3	36	24S	31E	Eddy

Proposed Horizontal Gas Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 Section 25	639.49	Purple Sage; Wolfcamp, Gas	98220
E/2 Section 36 (equivalent)			

You have requested to complete this horizontal well described above in the referenced pool or formation. This well is governed by special rules R-14262, for the Purple Sage; Wolfcamp (Gas) Pool and governs wells to be located at least 330 feet from the unit outer boundary of a spacing unit and no closer than 10 feet to any quarter – quarter section line. The completed intervals of

Administrative Order NSL - 9305
Devon Energy Production Company, L.P.
Page 2 of 2

horizontal wells are to be located no closer than 330 feet to the exterior boundary of a standard 320 - acre 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 First and Last Take Points referenced above within the described Horizontal Spacing Unit.

The well's completed interval is as close as 100 feet to the northern and southern boundary of the horizontal spacing unit. Encroachment will impact the following tract(s).

Section 24, T24S, R31E, encroachment to the SE/4
Section 01, T25S, R31E, encroachment to the NE/4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location in order to minimize reserves left in the ground and to prevent waste within the Wolfcamp formation underlying the E/2 of Section 25 and the E/2 (equivalent) of Section 36, thereby protecting correlative rights of all affected.

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 Subsection B of 19.15.15.13 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.



Albert C.S. Chang
Division Director
AC/lrl

Date: 04/17/2026

Revised March 23, 2017

ID NO. 562571

NSL - 9305

RECEIVED: 03/12/26	REVIEWER:	TYPE:	APP NO:
---------------------------	-----------	-------	---------

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 25-36 Fed Com 738H **API:** 30-015-57494
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	
<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.

A. Raylee Starnes

Print or Type Name

Signature

March 12, 2026

Date

505-988-4421

Phone Number

arstarnes@hollandhart.com

e-mail Address



A. Raylee Starnes
Associate
Phone (505) 954-3669
arstarnes@hollandhart.com

March 12, 2026

VIA ONLINE FILING

Albert 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 an Unorthodox Well Location**

Cotton Draw 25-36 Fed State Com 738H well
E/2 of Section 25 and NE/4, N/2 SE/4, Lots 3-4 (E/2 equivalent) of irregular 36, Township
24 South, Range 31 East, Eddy County, New Mexico
Purple Sage-Wolfcamp Gas Pool [98220]
API No. 30-015-57494

Dear Mr. Chang:

Devon Energy Production Company, L.P. (“Devon”) (OGRID No. 6137), pursuant to Division Rules 19.15.16.15.C(6) and 19.15.15.13 NMAC and applicable rules governing acreage and well location requirements for the Purple Sage-Wolfcamp Gas Pool [98220], seeks administrative approval of an unorthodox well location for its Cotton Draw 25-36 Fed State Com 738H well (API No. 30-015-56733), in a 639.49-acre, more or less, spacing unit underlying the E/2 of Section 25 and NE/4, N/2 SE/4, Lots 3-4 (E/2 equivalent) of irregular 36, Township 24 South, Range 31 East, Eddy County, New Mexico.

The location for the proposed **Cotton Draw 25-36 Fed State Com 738H well** is as follows:

- **Surface location:** 350’ FNL and 2,565’ FWL (Unit C) of Section 25
- **First take point:** 100’ FNL and 1,980’ FEL (Unit B) of Section 25
- **Last take point:** 100’ FSL and 1,980’ FEL (Lot 3) of irregular Section 36
- **Bottom location:** 20’ FSL and 1,980’ FEL (Lot 3) of irregular Section 36

T 505.954.3669 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

The well is a “straddle com” well, i.e. partially overlapping Devon’s Cotton Draw Unit; therefore, it is not part of the Unit or unitized area¹ and is subject to the spacing and setback requirements under the Special Pool Rules for the Purple Sage Wolfcamp (See Division Order R-14262). The proposed first and last take points are less than 330 feet² from the northern and southern boundary of the spacing unit and existing offsetting tracts; therefore, approval of a non-standard well location is required.

Exhibit A is an Engineering Statement explaining why approval of the application is necessary.

Exhibit B is a Form C-102 showing the **Cotton Draw 25-36 Fed State Com 738H** well encroaches on the tracts to the north in the SE/4 of Section 24, T24S-R31E, and the tracts to the south in the NE/4 of Section 1, T25S-R31E.

Exhibit C is a plat for Sections 24, 25 and 36, T24S-R31E, and the N/2 of Section 1, T25S-R31E, that shows the proposed Cotton Draw 25-36 Fed State Com 626H well in relation to the adjoining tracts to the north and south. Exhibit B also includes an ownership list for the affected tracts to the north, showing that they are operated by EOG Resources, Inc. (“EOG”) and the working interest owners are Vladin LLC (“Vladin”) and Chevron U.S.A. Inc. (“Chevron”), and the tracts to the south, which are operated by Devon and XTO Holdings, LLC (“XTO”) is a working interest owner. In addition, the exhibit identifies that these include federal leases. Accordingly, the “affected persons”³ are EOG, Vladin, Chevron, XTO, and the Bureau of Land Management (“BLM”). Also, included with the exhibit is a waiver letter from EOG.

Exhibit D is a spreadsheet listing all affected persons Devon provided notice and includes tracking information demonstrating that each of the affected persons was sent a copy of this application with all 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. The following are the affected persons:

Type	Affected Party	Offsetting Acreage
Operator	EOG	SE/4 of Section 24, T24S-R31E
Working Interest	Vladin	
Working Interest	Chevron	
Federal Mineral Interest	Bureau of Land Management	

¹ See 19.15.16.15.B(8) NMAC and 19.15.16.15.C(7) NMAC.

² The setback requirement for the Purple Sage Wolfcamp is 330 feet from the outer boundary.

³ See 19.15.2.7.A(8) NMAC [defining “affected persons” as, “in the absence of an operator, or with respect to an application wherein the operator of the spacing unit or identified tract is the applicant, each working interest owner”] and 19.15.4.12.A(2)(a) NMAC.

Working Interest	XTO	NE/4 of Section 1, T25S-R31E
Federal Mineral Interest	Bureau of Land Management	

Your attention to this matter is appreciated.

Sincerely,



A. Raylee Starnes
**ATTORNEY FOR
DEVON ENERGY PRODUCTION COMPANY, L.P.**

T 505.954.3669 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska
Colorado
Idaho

Montana
Nevada
New Mexico

Utah
Washington, D.C.
Wyoming



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

February 5, 2026

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

RE: Application for Nonstandard Location
Engineering Statement
Devon Energy Production Company, L.P.
Cotton Draw 25-26 Fed Com 625H, 626H, 628H, 714H, 715H, 717H, 718H, 733H, 734H, 738H,
823H 824H, 827H, 828H (the "Wells")
E2 of Sections 25 & 36-24S-31E
Eddy County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, L.P. respectfully requests administrative approval of a non-standard location ("NSL") for the Cotton Draw 25-26 Fed Com 625H, 626H, 628H, 714H, 715H, 717H, 718H, 733H, 734H, 738H, 823H 824H, 827H, 828H wells. The 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 first and last take points from three hundred and thirty feet (330') to one hundred feet (100') will increase the wells total effective lateral length by four hundred sixty feet (460'), which will increase the ultimate recovery of reserves and is thereby necessary to prevent waste of natural resources.

Sincerely,

A handwritten signature in black ink, appearing to read "Ram Jayakumar". The signature is written in a cursive style with a long, sweeping tail.

Ram Jayakumar
Reservoir Engineer

**EXHIBIT
B**

Revised July, 2024

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

WELL LOCATION INFORMATION

API Number 30-015-57494	Pool Code 98220	Pool Name PURPLE SAGE; WOLFCAMP
Property Code 331844	Property Name COTTON DRAW 25-36 FED COM	Well Number 738H
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Ground Level Elevation 3544.3'
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
C	25	24-S	31-E		350' N	2565' W	32.194641	103.731754	EDDY

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
UL	36	24-S	31-E	3	20' S	1980' E	32.166665	103.729355	EDDY

Dedicated Acres 639.49	Infill or Defining Well INFILL	Defining Well API 30-015-56733	Overlapping Spacing Unit (Y/N) N	Consolidation Code C
Order Numbers PENDING NSL			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
B	25	24-S	31-E		50' N	1980' E	32.195466	103.729373	EDDY


First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
B	25	24-S	31-E		100' N	1980' E	32.195328	103.729373	EDDY

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
UL	36	24-S	31-E	3	100' S	1980' E	32.166885	103.729356	EDDY

Unitized Area or Area of Uniform Interest N	Spacing Unit Type Horizontal Vertical X	Ground Floor Elevation: N/A
--	---	--------------------------------

<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><i>Amy A. Brown</i> 01/26/2026</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 supervision, and that the same is true and correct to the best of my belief.</p> <div style="text-align: center;">  </div> <p><i>B.S. Sec</i></p>
Signature Amy A. Brown	Signature and Seal of Professional Surveyor
Printed Name amy.brown@dvn.com	Certificate Number 22404
Email Address	Date of Survey 12/21/2025

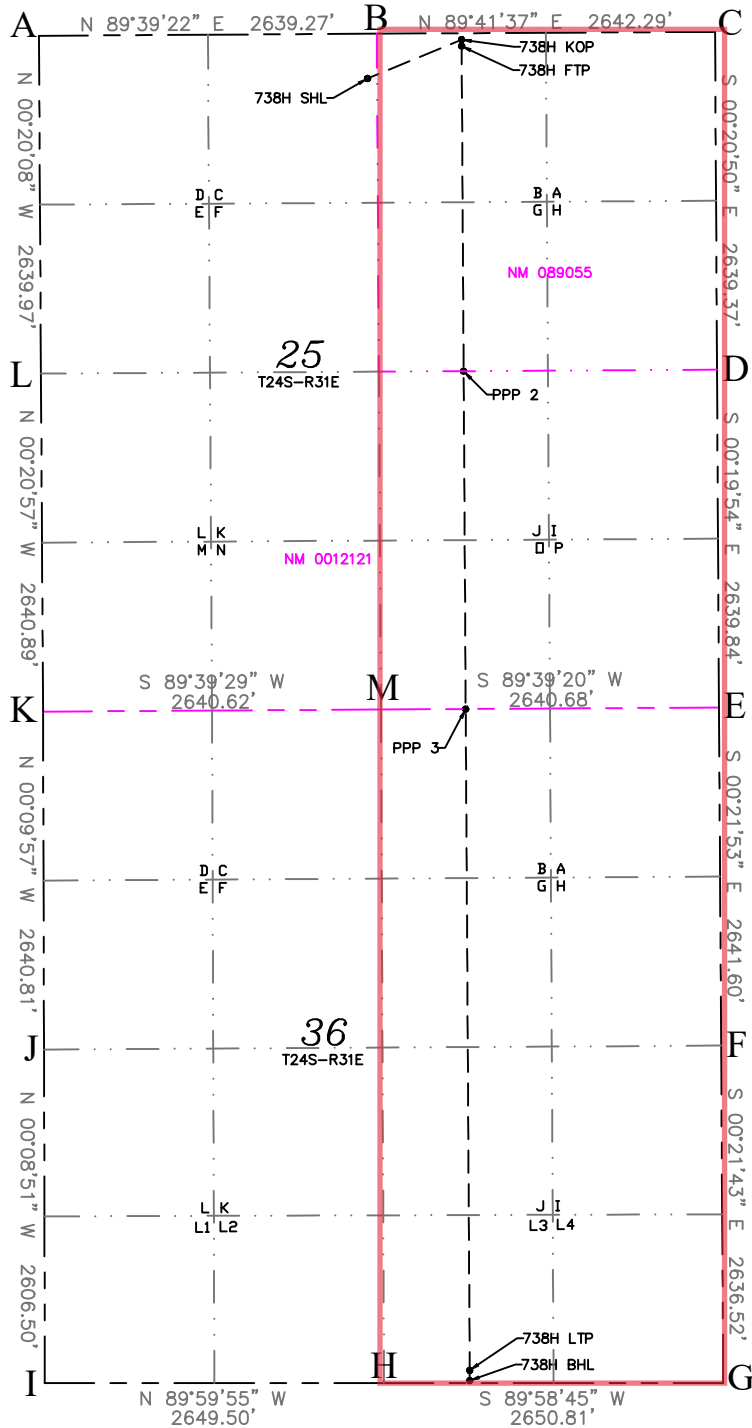
ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

<p>SURFACE HOLE LOCATION GEODETIC COORDINATES NAD 83 NMSP EAST SURFACE LOCATION 350' FNL 2565' FWL SECTION 25 EL:3544.3' N:435065.47/E:727426.41 LAT:32.194641/LDN:103.731754</p>
<p>KICK OFF POINT 50' FNL 1980' FEL SECTION 25 N:435369.45/E:728161.21 LAT:32.195466/LDN:103.729373</p>
<p>FIRST TAKE POINT 100' FNL 1980' FEL SECTION 25 N:435319.46/E:728161.51 LAT:32.195328/LDN:103.729373</p>
<p>LAST TAKE POINT 100' FSL 1980' FEL SECTION 36 N:424972.20/E:728224.96 LAT:32.166885/LDN:103.729356</p>
<p>BOTTOM HOLE LOCATION 20' FSL 1980' FEL SECTION 36 N:424892.20/E:728225.47 LAT:32.166665/LDN:103.729355</p>
<p>PPP 2 2640' FNL 1980' FEL SECTION 25 N:432779.26/E:728177.09 LAT:32.188346/LDN:103.729369</p>
<p>PPP 3 0' FSL 1979' FEL SECTION 25 N:430139.04/E:728193.28 LAT:32.181088/LDN:103.729364</p>

A=N:435400.07	E:724859.41
B=N:435415.91	E:727498.63
C=N:435430.04	E:730140.88
D=N:432790.73	E:730156.88
E=N:430150.93	E:730172.17
F=N:427509.39	E:730188.98
G=N:424872.92	E:730205.63
H=N:424871.96	E:727554.82
I=N:424872.01	E:724905.32
J=N:427478.51	E:724898.61
K=N:430119.30	E:724890.97
L=N:432760.15	E:724874.87
M=N:430135.06	E:727531.54





Non-Standard Location Application

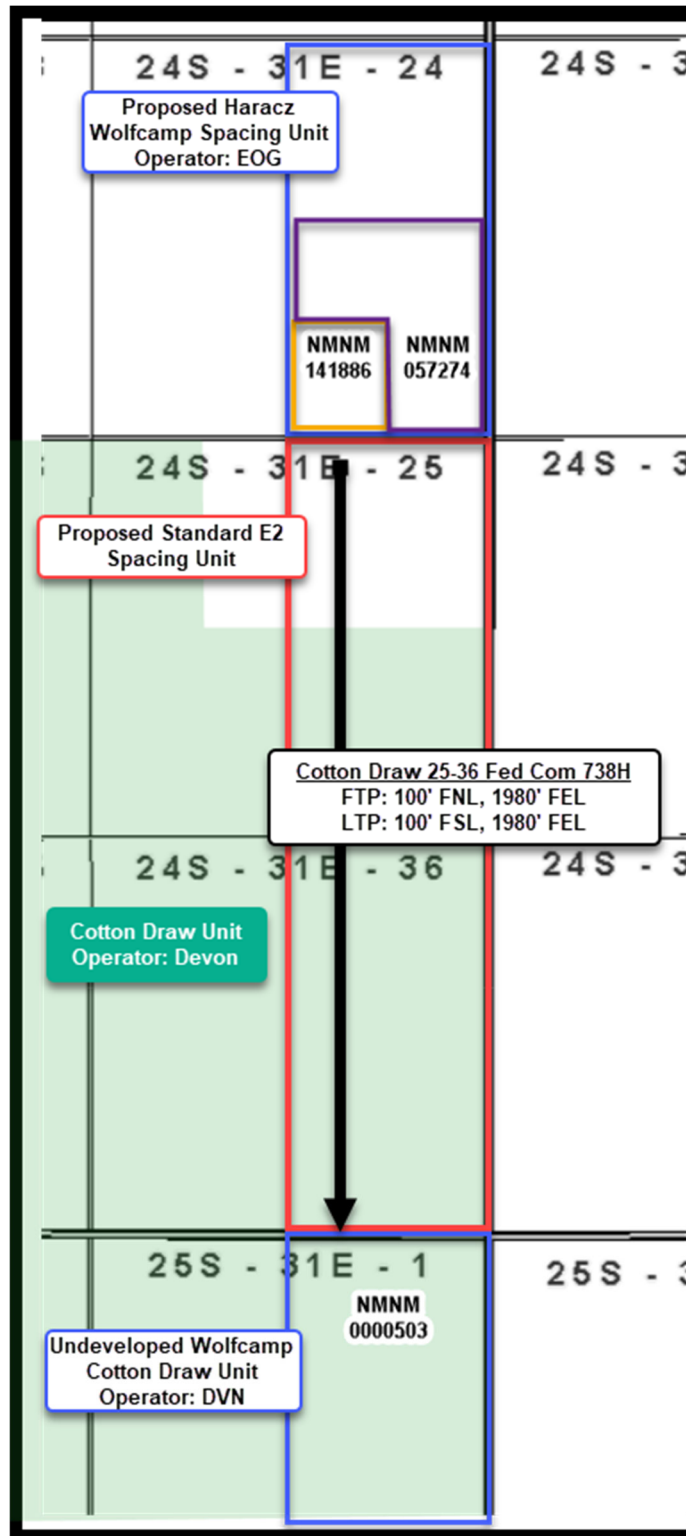
Offset Ownership Plat

Cotton Draw 25-36 Fed Com 738H

E2 Sections 25 & 36 – 24S-31E, Eddy County, NM

SHL: 350' FNL, 2565' FWL Sec. 25-24S-31E

BHL: 20' FSL, 1980' FEL Sec. 36-24S-31E



Bureau of Land Management	620 E. Greene Street	Carlsbad	NM	88220-6292
Bureau of Land Management	301 Dinosaur Trail	Santa Fe	NM	87508
Chevron U.S.A. Inc.	Attn: Scott Sabrsula, 1400 Smith Street	Houston	TX	77002
Chevron U.S.A. Inc.	Attn: Land Dept., 6301 Deauffille Blvd	Midland	TX	79706
EOG Resources	Midland Division - Land Department, 5509 Champions Drive	Midland	TX	79706
New Mexico Oil Conservation Division	1220 South St. Francis Dr.	Santa Fe	NM	87505
Vladin LLC	PO Box 100	Artesia	NM	88211-0100
XTO Holdings LLC	22777 Springwoods Village Pkwy	Spring	TX	77389-1425



A. Raylee Starnes
Associate
Phone (505) 954-3669
arstarnes@hollandhart.com

March 3, 2026

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

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

Cotton Draw 25-36 Fed State Com 738H well
E/2 of Section 25 and NE/4, N/2 SE/4, Lots 3-4 (E/2 equivalent) of irregular 36, Township
24 South, Range 31 East, Eddy County, New Mexico
Purple Sage-Wolfcamp Gas Pool [98220]
API No. 30-015-57494

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty 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 objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Ryan Cloer
Devon Energy Production Company, L.P.
(405) 228-2448
Ryan.Cloer@dvn.com

Sincerely,

A. Raylee Starnes
ATTORNEY FOR
DEVON ENERGY PRODUCTION COMPANY, L.P

T 505.954.3669 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

Devon - Cotton Draw - NSL
Postal Delivery Report

9402811898765436241590	Bureau of Land Management	620 E Greene St	Carlsbad	NM	88220-6292	Your item was delivered to an individual at the address at 12:41 pm on March 9, 2026 in CARLSBAD, NM 88220.
9402811898765436241545	Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM	87508-1560	Your item was delivered to the front desk, reception area, or mail room at 12:10 pm on March 6, 2026 in SANTA FE, NM 87508.
9402811898765436241583	Chevron U.S.A. Inc., Attn Scott Sabrsula	1400 Smith St	Houston	TX	77002-7311	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9402811898765436241538	Chevron U.S.A. Inc., Attn Land Dept	6301 Deauville	Midland	TX	79706-2964	Your item was delivered to an individual at the address at 11:21 am on March 9, 2026 in MIDLAND, TX 79706.
9402811898765436241576	EOG Resources, Midland Division - Land Department	5509 Champions Dr	Midland	TX	79706-2843	Your item was picked up at the post office at 8:23 am on March 11, 2026 in MIDLAND, TX 79701.
9402811898765436279210	New Mexico Oil Conservation Division	1220 S St Francis Dr	Santa Fe	NM	87505-4225	Your item was delivered to the front desk, reception area, or mail room at 10:23 am on March 6, 2026 in SANTA FE, NM 87505.
9402811898765436279258	Vladin LLC	PO Box 100	Artesia	NM	88211-0100	Your item was picked up at the post office at 12:36 pm on March 9, 2026 in ARTESIA, NM 88210.
9402811898765436279265	XTO Holdings LLC	22777 Springwoods Village Pkwy	Spring	TX	77389-1425	Your item was delivered to an individual at the address at 10:13 am on March 6, 2026 in SPRING, TX 77389.

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 562571

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 562571
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	3/17/2026