STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

AMENDED APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P. FOR NON-STANDARD SPACING AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 21099

AMENDED APPLICATION

Devon Energy Production Company, L.P. ("Devon" or "Applicant") (OGRID 6137), through its undersigned attorneys, hereby files this amended application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (a) approving a 240-acre, more or less, non-standard horizontal spacing unit comprised of the W/2 SW/4 of Section 3 and the W/2 W/2 of Section 10, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted interests in Wolfcamp formation underlying this proposed unit. In support of this amended application, Devon states:

1. The initial application under Case No. 21099 sought an order (a) approving a 480-acre, more or less, standard horizontal spacing unit consisting of the SW/4 of Section 3 and the W/2 of Section 10, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico (the "Unit"), (b) designating Devon as the operator of the Unit, (c) pooling the uncommitted interests in the Wolfcamp formation (Purple Sage; Wolfcamp Pool (Pool Code 98220)) in the Unit, and (d) dedicating the Unit to the following initial wells, both of which are to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 10 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 3: (1) **Thoroughbred 10-3 Fed Com #621H well**; (2) **Thoroughbred 10-3 Fed Com #711H well**.

- 2. A hearing was held on March 5, 2020, and evidence presented in support of the initial proposed unit. Devon has since determined it is prudent to amend the application in this case to contract the proposed spacing unit to eliminate the W/2 NW/4 of Section 3 which is within the federal Poker Lake Unit operated by XTO Energy, Inc.
- 3. Devon is likewise applying for administrative approval of a non-standard horizontal spacing unit comprised of the E/2 W/2 of Sections 3 and 10, which does not require pooling.
 - 4. Notice of this amended application will be provided as required by Division rules.
- 5. Approval of this amended application is in the best interest of conservation, the prevention of waste, and the protection of correlative rights.
- 6. In order to protect correlative rights and to permit Devon to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this non-standard spacing unit should be pooled, and Devon should be designated the operator of the proposed horizontal wells and non-standard spacing unit.

WHEREFORE, Devon requests that this amended application be set for hearing before an Examiner of the Oil Conservation Division on April 30, 2020, and, after notice and hearing as required by law, the Division enter an order granting this amended application.

Respectfully submitted,

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