

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

**APPLICATION OF DEVON ENERGY
PRODUCTION COMPANY, L.P.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. _____

APPLICATION

Devon Energy Production Company, L.P. (“Devon” or “Applicant”) (OGRID No. 6137), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 720-acre, more or less, horizontal spacing unit comprised of the S/2 of Sections 23 and 24, and the E/2 SE/4 of Section 22, all in Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. In support of this application, Devon states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant seeks to dedicate the above-referenced horizontal spacing unit (“HSU”) to the following proposed **Tiger Paw 22-24 Fed Com 332H Well**, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 22 to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 24. The **332H Well** is orthodox in its location and meets statewide rules for setbacks.
3. The completed interval of the well will remain within 330 feet of the quarter-quarter line separating the N/2 S/2 from the S/2 S/2 to qualify as a proximity well that will allow for including proximity tracts in this standard horizontal spacing unit.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.

5. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled and Applicant should be designated the operator of the proposed horizontal well and spacing unit.

6. The pooling of all interests in the Bone Spring formation within the proposed HSU will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on January 4, 2024, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Bone Spring formation underlying the proposed horizontal spacing unit;
- B. Approving the initial well in the horizontal well spacing unit;
- C. Designating Applicant as the operator of the horizontal spacing unit and the well to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

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

Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 720-acre, more or less, horizontal spacing unit comprised of the S/2 of Sections 23 and 24, and the E/2 SE/4 of Section 22, all in Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed initial **Tiger Paw 22-24 Fed Com 332H Well**, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 22 to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 24. The **332H Well** is orthodox in its location and meets statewide rules for setbacks. The completed interval of the Well will remain within 330 feet of the quarter-quarter line separating the N/2 S/2 from the S/2 S/2 to qualify as a proximity well that will allow for including proximity tracts in this standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the well, the allocation of the costs thereof, the actual operating costs and charges for supervision, the designation of the Applicant as operator of the well and unit, and the imposition of a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 17 miles east of Lakewood, New Mexico.