

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

**APPLICATION OF DEVON ENERGY PRODUCTION
COMPANY, L.P. TO AMEND ORDER R-23414 TO POOL
AN OVERLAPPING HORIZONTAL GAS SPACING
UNIT RATHER THAN AN OIL SPACING UNIT,
EDDY COUNTY, NEW MEXICO.**

CASE NO. _____

APPLICATION

Devon Energy Production Company, L.P. (“Devon” or “Applicant”) (OGRID No. 6137), through its undersigned attorneys, files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, to amend Order R-23414 to pool an 800-acre overlapping horizontal gas spacing unit rather than a horizontal oil spacing unit in an interval of the Bone Spring formation underlying the S2 of Section 9, the S2 of Section 10, and the SW4 of Section 11, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico. In support of this application, Devon states:

1. Order R-23414, issued in Case 24428, pooled an overlapping horizontal oil spacing unit in an interval of the Bone Spring formation underlying the S2S2 of Section 9, the S2S2 of Section 10, and the S2SW4 of Section 11, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico. The pooled interval is the top of the Bone Spring formation to the correlative stratigraphic equivalent of 8218 feet measured depth as shown in the dual laterolog of the Yates State 2 (API # 30-015-32801).

2. This oil spacing unit is currently dedicated to the proposed **Bent Tree 9-11 State Com 224H**, to be horizontally drilled from a surface location in the SW4 of Section 9, with a first take point in the SW4SW4 (Unit M) of Section 9 and a last take point in SE4SW4 (Unit N) of Section 11.

3. Order R-23414 identifies the pool as “TBD.” Devon has recently been informed this well will be placed in Magruder; Bone Spring (Gas) Pool [80887] rather than the anticipated oil pool for this area. Devon therefore seeks to amend Order R-23414 to pool the S2 of Section 9, the S2 of Section 10, and the SW4 of Section 11 to meet the requirements for a horizontal gas spacing unit.

4. This proposed 800-acre gas spacing unit will overlap the 800-acre horizontal well spacing unit approved under Order R-23415 for the Bent Tree 9-11 State 337H and 338H wells to be drilled in a deeper interval of the Bone Spring formation.

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

6. Approval of this application will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on November 7, 2024, and, after notice and hearing as required by law, the Division amend Order R-23414 to pool an overlapping horizontal gas spacing unit rather than an overlapping horizontal oil spacing unit.

Respectfully submitted,

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**ATTORNEYS FOR DEVON ENERGY PRODUCTION
COMPANY, L.P.**

CASE _____: **Application of Devon Energy Production Company, L.P. to Amend Order R-23414 to Pool an Overlapping Horizontal Gas Spacing Unit Rather Than an Oil Spacing Unit, Eddy County, New Mexico.** Applicant in the above-styled cause seeks to amend Order R-23414 to pool an 800-acre overlapping horizontal gas spacing unit rather than a horizontal oil spacing unit in an interval of the Bone Spring formation underlying the S2 of Section 9, the S2 of Section 10, and the SW4 of Section 11, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico. Order R-23414, issued in Case 24428, pooled an overlapping horizontal oil spacing unit in an interval of the Bone Spring formation underlying the S2S2 of Section 9, the S2S2 of Section 10, and the S2SW4 of Section 11, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico. This oil spacing unit is currently dedicated to the proposed **Bent Tree 9-11 State Com 224H**, to be horizontally drilled from a surface location in the SW4 of Section 9, with a first take point in the SW4SW4 (Unit M) of Section 9 and a last take point in SE4SW4 (Unit N) of Section 11. Devon seeks to amend the pooling order to accommodate the placement of the well in a gas pool rather than the anticipated oil pool. This proposed 800-acre gas spacing unit will overlap the 800-acre spacing unit approved under Order R-23415 for the Bent Tree 9-11 State 337H and 338H wells to be drilled in a deeper interval of the Bone Spring formation. Said area is located approximately 5 miles northeast of Carlsbad, New Mexico.