NSL

Initial

Application

Received: 07/01/20

P.O. No XN717-200701-NSL000

Revised March 23, 2017

RECEIVED: 0 7 10 1 10 0	REVIEWER:	TYPE:	APP NO:
$\frac{1}{1}$	T D I	I''' NICI	
07/01/20		INDL	DLEL2010431023
`	AB	OVE THIS TABLE FOR OCD DIVISION USE O	ONLY

NEW MEXICO OIL CONSERVATION DIVISION



- Geological & Engir	
1220 South St. Francis Drive	, Santa Fe, NM 87505
ADMINISTRATIVE APP	LICATION CHECKLIST
THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIV REGULATIONS WHICH REQUIRE PROCESSII	/E APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND NG AT THE DIVISION LEVEL IN SANTA FE
Applicant: Devon Energy Production, L.P. Well Name: Thoroughbred 10-3 Fed Com #711H Well	OGRID Number: 6137 API: 30-015-46477
Pool: Purple Sage; Wolfcamp (Gas) Pool	Pool Code: 98220
SUBMIT ACCURATE AND COMPLETE INFORMATION INDICATE	D BELOW
1) TYPE OF APPLICATION: Check those which apply	v for [A]
A. Location – Spacing Unit – Simultaneous Dec	dication
■NSL	■ NSP (PRORATION UNIT) ■ SD
B. Check one only for [1] or [11]	
[1] Commingling – Storage – Measuremen	
□DHC □CTB □PLC □PC	<u> </u>
[II] Injection – Disposal – Pressure Increase	EOR PPR
□ WFX □FMX □3WD □IFI	FOR OCD ONLY
2) NOTIFICATION REQUIRED TO: Check those which	
A. Offset operators or lease holders	
B. Royalty, overriding royalty owners, reverC. Application requires published notice	Application
D. ☐ Notification and/or concurrent approve	DI by SLO
E. Notification and/or concurrent approve	· I COMORE
F. Surface owner	
G. For all of the above, proof of notification	n or publication is attached, and/or,
H. No notice required	
3) CERTIFICATION: I hereby certify that the information	tion submitted with this application for
administrative approval is accurate and comple	·
understand that no action will be taken on this on the notifications are submitted to the Division.	application until the required information and
Note: Statement must be completed by an Indivi	dual with managerial and/or supervisory capacity.
	July 1, 2020
Kaitlyn A. Luck	Date
Print or Type Name	
les A A = -	505-954-7286 Phone Number
JANA LILL	FIIOHE MUHIDEI
" " " " " " " " " " " " " " " " " " " "	kaluck@hollandhart.com
Signature	e-mail Address



Kaitlyn A. Luck Phone (505) 954-7286 KALuck@hollandhart.com

July 01, 2020

VIA ONLINE FILING

Adrienne Sandoval, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: Application of Devon Energy Production, LP, for administrative approval of an unorthodox well location for its Thoroughbred 10-3 Fed Com #711H Well in the W/2 SW/4 of Section 3 and the W/2 W/2 of Section 10, Township 26 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

Dear Ms. Sandoval:

Devon Energy Production, LP ("Devon") (OGRID No. 6137) seeks administrative approval of an unorthodox well location for its **Thoroughbred 10-3 Fed Com #711H Well** (API No. 30-015-46477) to be completed within the Purple Sage Wolfcamp Pool (98220) underlying the W/2 SW/4 of Section 3 and the W/2 W/2 of Section 10, Township 26 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

This well will be drilled from a <u>surface location</u> 220 feet from the south line and 350 feet from the west line (Unit M) of Section 10 to a <u>bottom hole location</u> 2645 feet from the south line and 330 feet from the west line (Unit L) of Section 3. The <u>first take point</u> will be located 330 feet from the south line and 330 feet from the west line (Unit M) of Section 10, and the <u>last take point</u> will be 2565 feet from the south line and 330 feet from the west line (Unit L) of Section 3.

Pursuant to Division Order R-14262, this acreage is governed by the Special Rules for the Purple Sage-Wolfcamp Gas Pool which provide for wells in the Wolfcamp formation in Eddy County to be located no closer than 330 feet to the outer boundary of the spacing unit. The completed interval for the **Thoroughbred 10-3 Fed Com #711H Well** will be unorthodox because it is closer than 330 feet to the northern boundary of the spacing unit in Section 3. Approval of the unorthodox completed interval will allow Devon to use its preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

Exhibit A is a Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Thoroughbred 10-3 Fed Com #711H Well** encroaches on the drilling and spacing units to the north in Section 3.

Exhibit B is a land plat for Sections 3 and 10 that shows the proposed Thoroughbred 10-3 Fed Com #711H Well in relation to the adjoining spacing units to the north in Section 3.

Ownership is diverse between the subject spacing unit and the spacing unit to the north. XTO Energy Inc. and the Bureau of Land Management are the only affected persons. **Exhibit C** reflects that a copy of this application with all attachments has been sent by certified mail to each affected person advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application.

Exhibit D is a statement from a Devon's petroleum engineer confirming that Devon's requested unorthodox location is necessary to optimize well spacing, thereby preventing waste.

Your attention to this matter is appreciated.

Sincerely,

Kaitlyn A. Luck

ATTORNEY FOR DEVON ENERGY PRODUCTION COMPANY, L.P.

District I
1625 N. French Dr., Hobbs, NM 88240
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

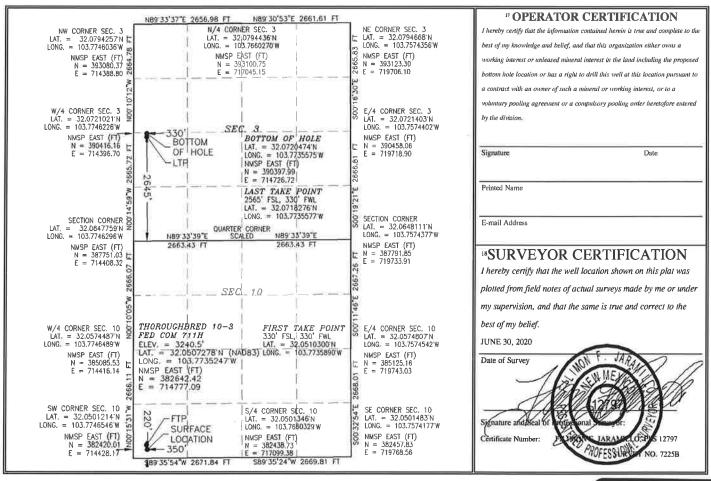
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1	API Numbe	г		² Pool Code		³ Pool Name			_			
⁴ Property Code ⁵ Pr						roperty Name						
1. 0			THOROUGHBRED 10-3 FED COM 711H									
⁷ OGRID I	Vo.	* Operator Name										
6137		DEVON ENERGY PRODUCTION COMPANY, L.P.					GY PRODUCTION COMPANY, L.P. 3240.5					
[∞] Surface Location												
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County		
M	10	26 S	31 E		220	SOUTH	350	WE	ST	EDDY		
		•	D	-44 II	-1- T4'	If Different E	C					

Bottom Hole Location If Different From Surface UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County 3 31 E 2645 **SOUTH** 330 WEST L 26 S **EDDY** 12 Dedicated Acres 13 Joint or Infill 4 Consolidation Code 15 Order No.

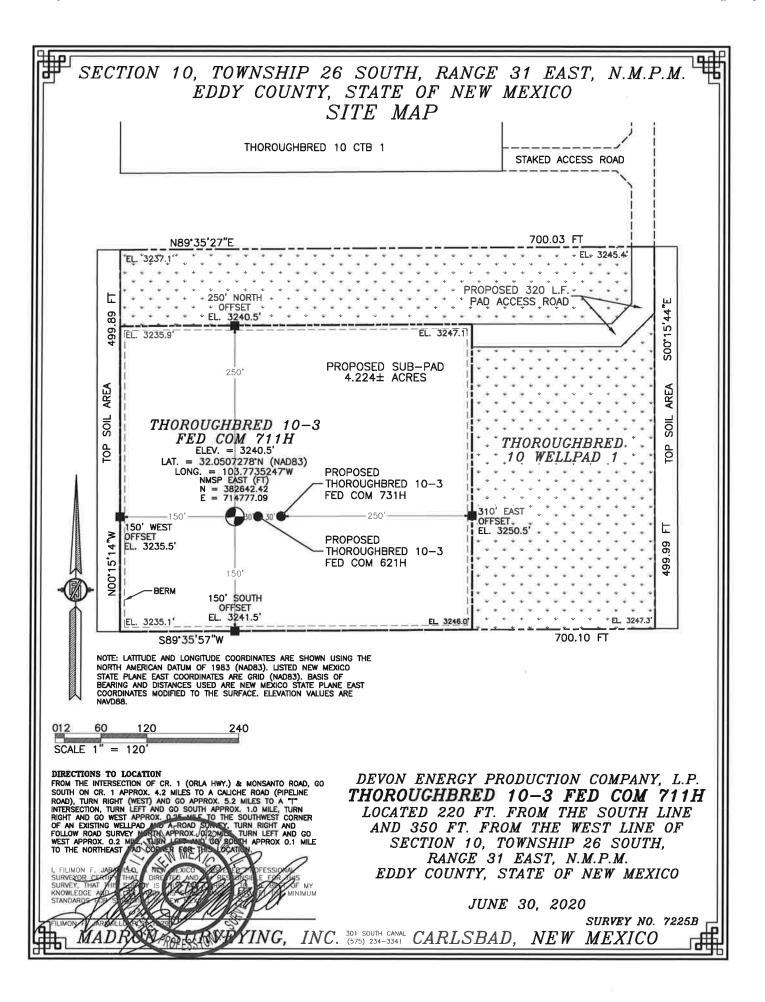
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

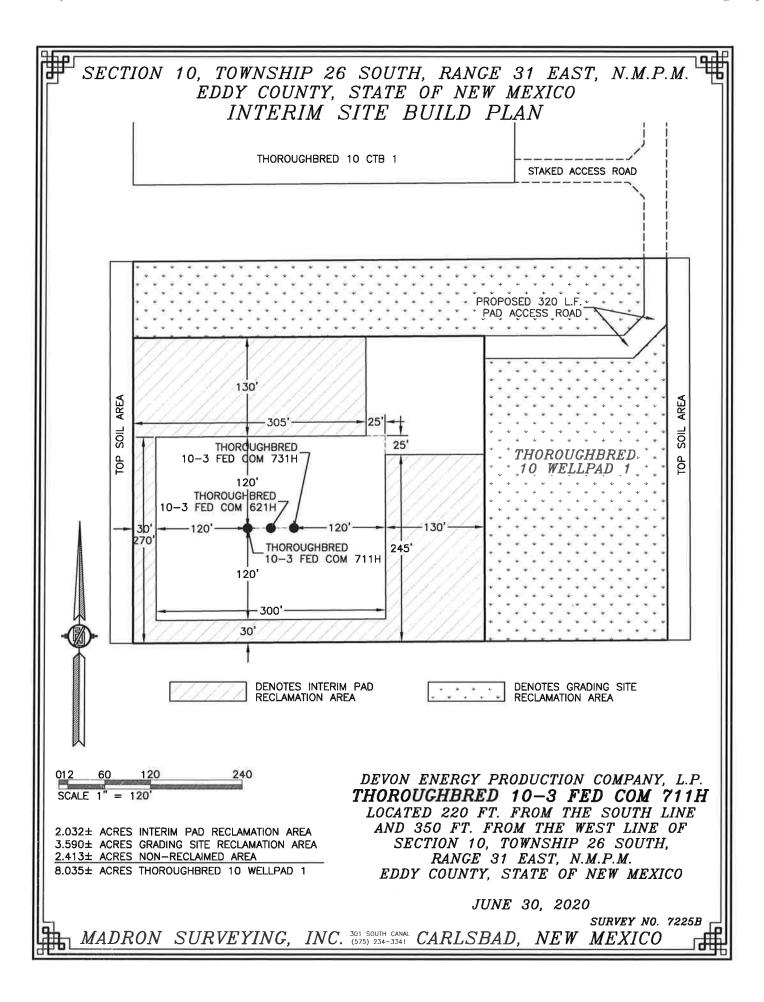




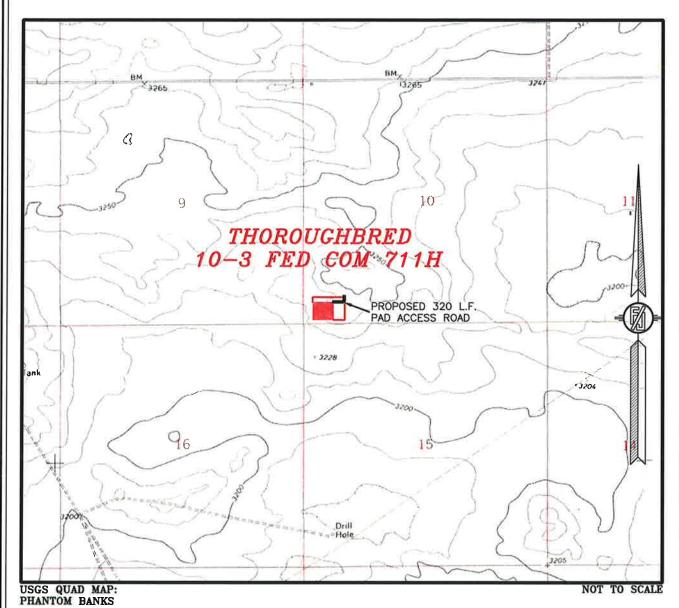
Inten	nt	As Dri	led										
API #	#												
Operator Name: DEVON ENERGY PRODUCTION COMPANY, L.P.					Property Name: THOROUGHBRED 10-3 FED COM					ОМ	Well Number 711H		
Cick (Off Point	(KOP)			(
UL	Section	Township	Range	Lot	Feet	From	From N/S		t	From E/W		County	
Latit	ude				Longitu	ide						NAD	
UL	Take Poir	Township	Range	Lot	Feet	From		Feet			n E/W	County	
M Latitu	10	26S	31E		330 Longitu	SOL	JTH	330		WE:	ST	EDDY	
	051030	0				7735890						83	
ast T UL L Latitu	Section 3	t (LTP) Township 26S	Range 31E	Lot	Feet From N/S Feet From E/W County 2565 SOUTH 330 WEST EDDY Longitude NAD								
32.0	071827	6				7735577 83				1			
		defining winfill well?	vell for the	e Horiz	zontal Sp	pacing Uni	? [
	ng Unit.	ease provi	de API if a	availab	ole, Oper	ator Namo	e and v	vell n	umber	for [Definir	ng well fo	r Horizontal
Ope	rator Nar	ne:				Property	Name	:					Well Number

KZ 06/29/2018





SECTION 10, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO LOCATION VERIFICATION MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
THOROUGHBRED 10-3 FED COM 711H

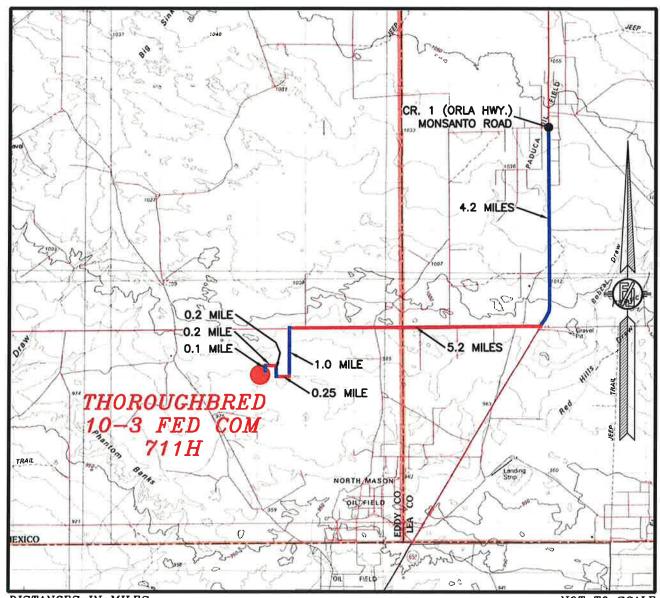
LOCATED 220 FT. FROM THE SOUTH LINE
AND 350 FT. FROM THE WEST LINE OF
SECTION 10, TOWNSHIP 26 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

JUNE 30, 2020

SURVEY NO. 7225B D. NEW MEXICO

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO

SECTION 10, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO VICINITY MAP



DISTANCES IN MILES

NOT TO SCALE

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF CR. 1 (ORLA HWY.) & MONSANTO ROAD, GO SOUTH ON CR. 1 APPROX. 4.2 MILES TO A CALICHE ROAD (PIPELINE ROAD), TURN RIGHT (WEST) AND GO APPROX. 5.2 MILES TO A "T" INTERSECTION, TURN LEFT AND GO SOUTH APPROX. 1.0 MILE, TURN RIGHT AND GO WEST APPROX. 0.25 MILE TO THE SOUTHWEST CORNER OF AN EXISTING WELLPAD AND A ROAD SURVEY, TURN RIGHT AND FOLLOW ROAD SURVEY NORTH APPROX. 0.2 MILE, TURN LEFT AND GO WEST APPROX. 0.2 MILE, TURN LEFT AND GO WEST APPROX. 0.1 MILE TO THE NORTHEAST PAD CORNER FOR THIS LOCATION.

DEVON ENERGY PRODUCTION COMPANY, L.P.
THOROUGHBRED 10-3 FED COM 711H

LOCATED 220 FT. FROM THE SOUTH LINE
AND 350 FT. FROM THE WEST LINE OF
SECTION 10, TOWNSHIP 26 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

JUNE 30, 2020

SURVEY NO. 7225B

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO

SECTION 10, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO AERIAL PHOTO



NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH FEB. 2019

DEVON ENERGY PRODUCTION COMPANY, L.P.
THOROUGHBRED 10-3 FED COM 711H

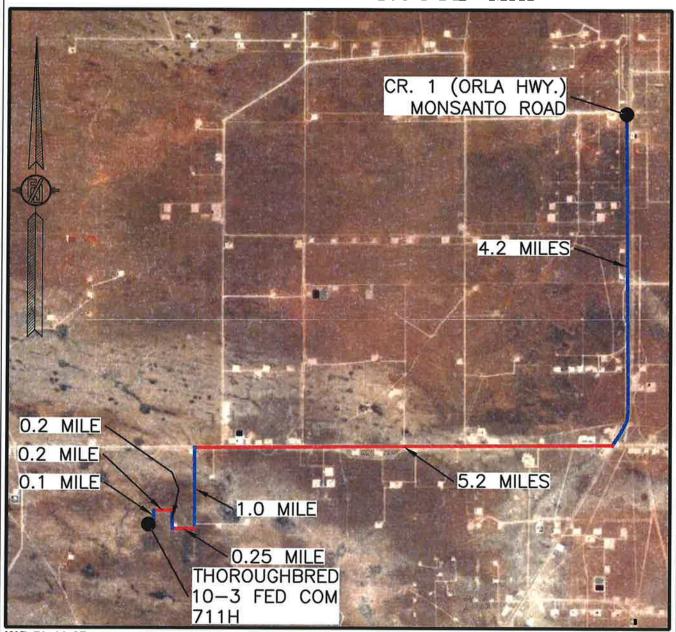
LOCATED 220 FT. FROM THE SOUTH LINE
AND 350 FT. FROM THE WEST LINE OF
SECTION 10, TOWNSHIP 26 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

JUNE 30, 2020

SURVEY NO. 7225B

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO





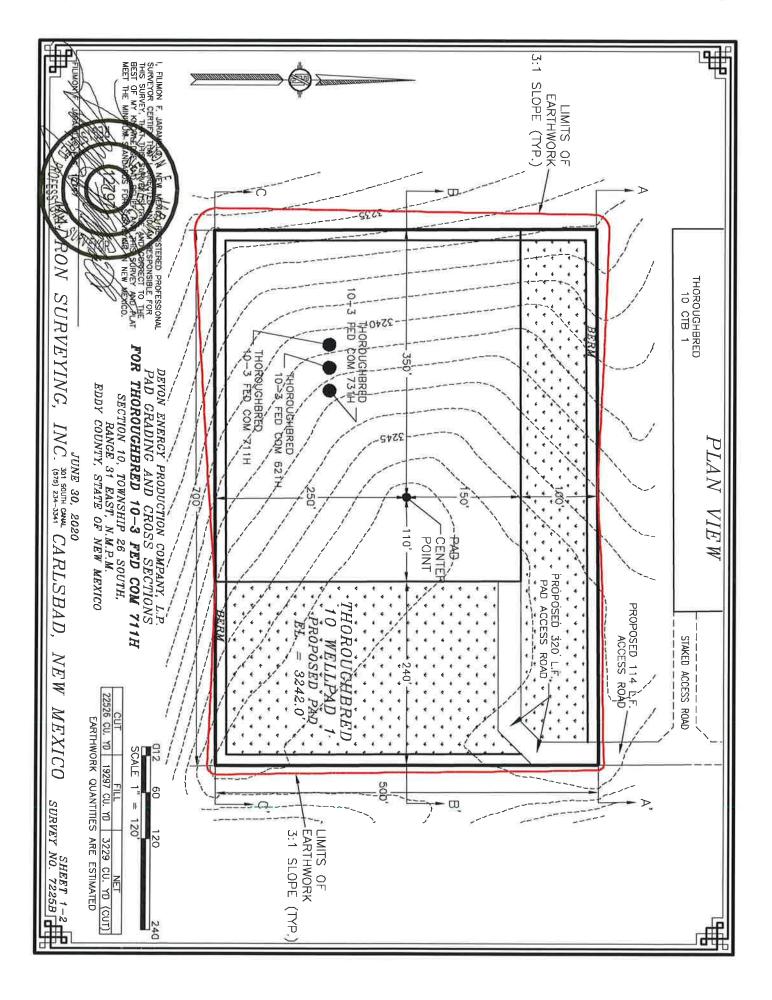
NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH FEB. 2019

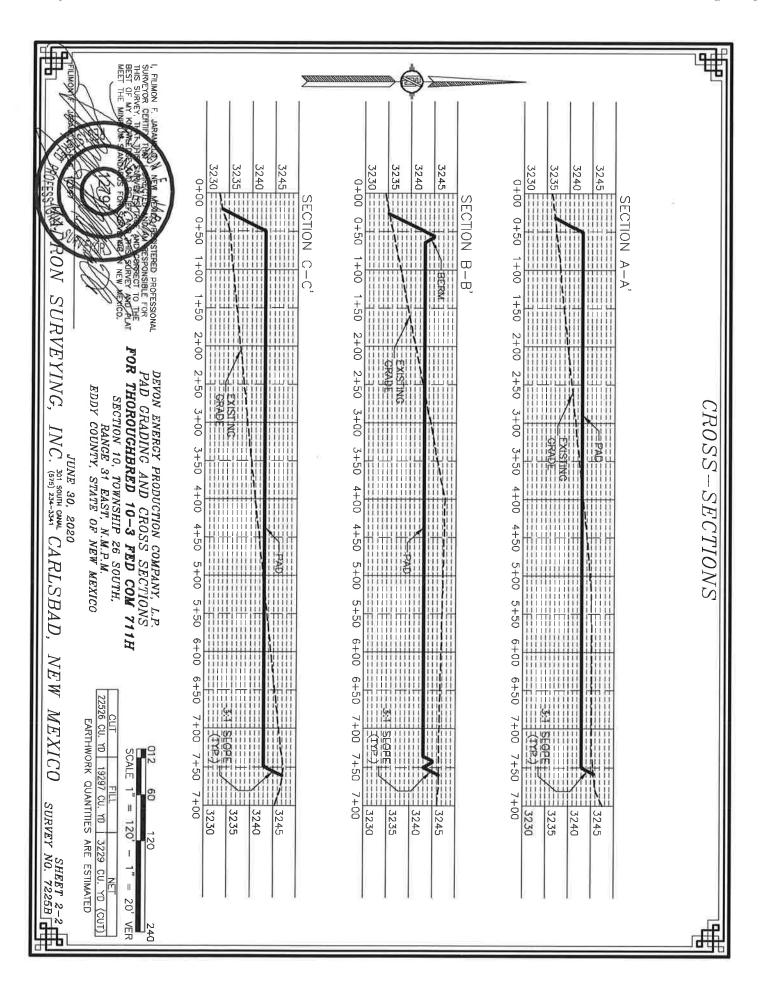
DEVON ENERGY PRODUCTION COMPANY, L.P.
THOROUGHBRED 10-3 FED COM 711H

LOCATED 220 FT. FROM THE SOUTH LINE
AND 350 FT. FROM THE WEST LINE OF
SECTION 10, TOWNSHIP 26 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

JUNE 30, 2020

SURVEY NO. 7225B MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO

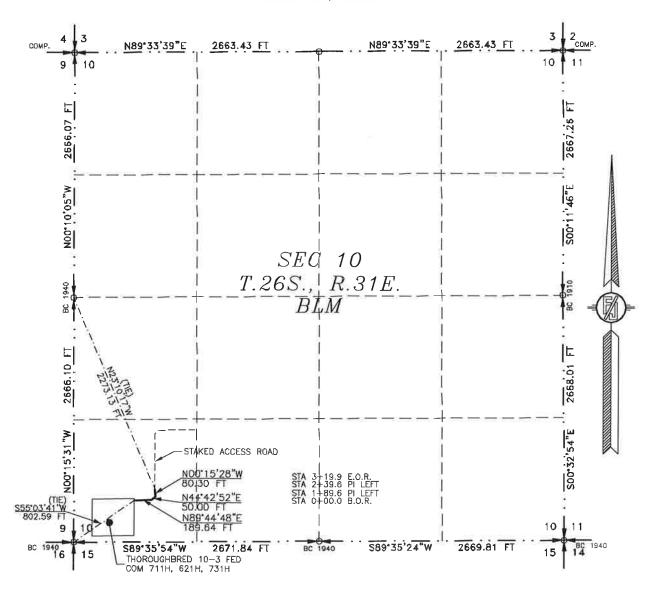




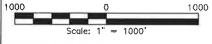
ACCESS ROAD PLAT (AA000253614)

PAD ACCESS ROAD FOR THOROUGHBRED 10-3 FED COM 711H, 621H, 731H

DEVON ENERGY PRODUCTION COMPANY, L.P. CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 10, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO JUNE 30, 2020



SEE NEXT SHEET (2-2) FOR DESCRIPTION



GENERAL NOTES

1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.

2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 1-2

MADRON SURVEYING INC. 301 S

SURVEYOR CERTIFICATE

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN NEW MEXICO.

CERTIFICATE IS EXECUTED AT CARLSBAD,

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 88220 Phone (575) 234-3341

SURVEY NO. 7225E *NEW MEXICO*

ACCESS ROAD PLAT (AA000253614)

PAD ACCESS ROAD FOR THOROUGHBRED 10-3 FED COM 711H, 621H, 731H

DEVON ENERGY PRODUCTION COMPANY, L.P.
CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING
SECTION 10, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
JUNE 30, 2020

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 10, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT WITHIN THE SW/4 SW/4 OF SAID SECTION 10, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M., WHENCE THE SOUTHWEST CORNER OF SAID SECTION 10, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS S55*03'41"W, A DISTANCE OF 802.59 FEET;

THENCE N89'44'48"E A DISTANCE OF 189.64 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N44'42'52"E A DISTANCE OF 50.00 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N00'15'28"W A DISTANCE OF 80.30 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE WEST QUARTER CORNER OF SAID SECTION 10, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS N23'10'17"W, A DISTANCE OF 2273.13 FEET;

SAID STRIP OF LAND BEING 319.94 FEET OR 19.39 RODS IN LENGTH, CONTAINING 0.220 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

SW/4 SW/4 319.94 L.F. 19.39 RODS 0.220 ACRES

SURVEYOR CERTIFICATE

NEW A

GENERAL NOTES

- 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
- 2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 2-2

MADRON SURVEYING INC. 301 SO (575)

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STANDARD NEW MEXICO.

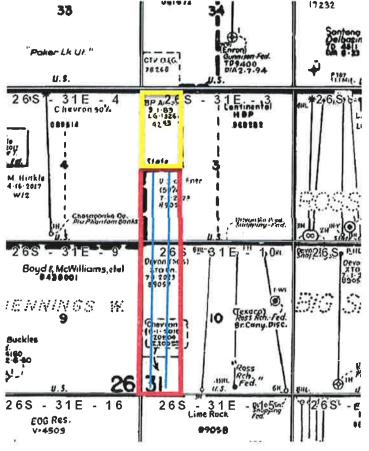
CERTIFICATE IS EXECUTED AT CARLSBAD,

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 88220 Phone (575) 234-3341

SURVEY NO. 7225B

AD. NEW MEXICO









Kaitlyn A. Luck Phone (505) 954-7286 KALuck@hollandhart.com

July 01, 2020

<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

TO AFFECTED PERSONS:

Re: Application of Devon Energy Production, LP, for administrative approval of an unorthodox well location for its Thoroughbred 10-3 Fed Com #711H Well in the W/2 SW/4 of Section 3 and the W/2 W/2 of Section 10, Township 26 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

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 this date with the applicant and 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:

Tim Prout
Devon Energy
(405) 552-6113
Tim.Prout@dvn.com

Sincerely,

Kaitlyn A. Luck

ATTORNEY FOR DEVON ENERGY PRODUCTION

COMPANY, L.P.





Shipment Confirmation Acceptance Notice

Note to Mailer: The labels and volume associated to this form online, must match the labeled packages being

presented to the USPS® employee with this form.

Devon - Thoroughbred 621H & 711H NSL CM# 41132.0002

Shipment Date:	07/01/2020						
	/						

Shipped From:

Name: HOLLAND & HART LLP (1)

Address: __110 N GUADALUPE ST # 1

City:_SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume				
Priority Mail Express®*					
Priority Mail®	0				
First-Class Package Service®					
Returns					
International*	-				
Other	2				
Total	2				

^{*}Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

- Note to RSS Clerk:

 1. Home screen > Mailing/Shipping > More
 2. Select Shipment Confirm

 1. Home screen > Mailing/Shipping > More
- Scan or enter the barcode/label number from PS Form 5630
 Confirm the volume count message by selecting Yes or No
 Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail. Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE

9275 0901 1935 6200 0022 7508 45

JNITED STATES	OSTAL SERVICE ®
M	Ī



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

June 25, 2020

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

RE:

Application for Nonstandard Locations

Engineering Statement

Devon Energy Production Company, L.P.

Thoroughbred 10-3 Fed Com 621H, 711H, 713H, 733H & 732H wells

Sections 10 & 3-26S-31E Eddy County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, L.P. respectfully requests administrative approval of a non-standard location for each of the Thoroughbred wells referenced above by decreasing the last take point(s) from 330 feet to 100 feet from the horizontal plane outer boundary. The wells are located in the Purple Sage-Wolfcamp Gas Pool (Pool Code 98220). It is Devon's responsibility as a prudent operator to maximize lateral length and to minimize reserves left in the ground. Decreasing the last take point will increase the wells effective lateral length by 230 feet thereby increasing ultimate recovery of reserves and preventing waste of natural resources.

Sincerely,

Paige Bowes

Reservoir Engineer

Parge Bower

EXHIBIT