

NSL Initial Application

Received: 07/17/20

P.O. No. 7QH2A-200717-NSL000

Revised March 23, 2017

| | | | |
|--------------------|---------------|-----------|------------------------|
| RECEIVED: 07/17/20 | REVIEWER: LRL | TYPE: NSL | APP NO: pLEL2020237877 |
|--------------------|---------------|-----------|------------------------|

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, L.P. **OGRID Number:** 6137
Well Name: Shetland 11-2 Fed State Com #712H Well **API:** 30-015-47157
Pool: Purple Sage; Wolfcamp (Gas) Pool **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

- ☐ Notice Complete
☐ 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.

Kaitlyn A. Luck

Print or Type Name

Signature

July 17, 2020

Date

505-954-7286

Phone Number

kaluck@hollandhart.com

e-mail Address



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

July 17, 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 Shetland 11-2 Fed State Com #712H Well in the W/2 of Sections 2 and 11, 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 **Shetland 11-2 Fed State Com #712H Well** (API No. 30-015-47157) to be completed within the Purple Sage Wolfcamp Pool (98220) underlying the W/2 of Sections 2 and 11, Township 26 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

This well will be drilled from a surface location 15 feet from the south line and 475 feet from the west line (Unit N) of Section 11 to a bottom hole location 20 feet from the north line and 330 feet from the west line (Unit C) of Section 2. The first take point will be located 100 feet from the south line and 330 feet from the west line (Unit N) of Section 11, and the last take point will be 100 feet from the north line and 330 feet from the west line (Unit C) of Section 2.

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 **Shetland 11-2 Fed State Com #712H Well** will be unorthodox because it is closer than 330 feet to the northern and southern boundaries of the spacing unit. 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 **Shetland 11-2 Fed State Com #712H Well** encroaches on the drilling and spacing unit to the north in Section 35, Township 25 South, Range 31 East, and to the south in Section 14, Township 26 South, Range 31 East.

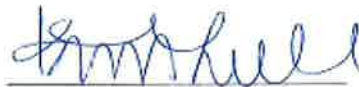
Exhibit B is a land plat for Sections 2 and 11 that shows the proposed **Shetland 11-2 Fed State Com #712H Well** in relation to the adjoining spacing unit to the north in Section 35 and to the south in Section 14.

Ownership is diverse between the subject spacing unit and the affected spacing units to the north and south. **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,

A handwritten signature in blue ink, appearing to read "Kaitlyn A. Luck", written over a horizontal line.

Kaitlyn A. Luck
**ATTORNEY FOR DEVON ENERGY PRODUCTION
COMPANY, L.P.**

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

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 Number | ² Pool Code | ³ Pool Name |
|----------------------------|--|--------------------------|
| ⁴ Property Code | ⁵ Property Name | ⁶ Well Number |
| | SHETLAND 11-2 FED STATE COM | 712H |
| ⁷ OGRID No. | ⁸ Operator Name | ⁹ Elevation |
| 6137 | DEVON ENERGY PRODUCTION COMPANY, L.P. | 3212.7 |

¹⁰ Surface Location


| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|-------------|
| N | 11 | 26 S | 31 E | | 350 | SOUTH | 2080 | WEST | EDDY |

¹¹ 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 |
|---------------|----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|-------------|
| C | 2 | 26 S | 31 E | | 20 | NORTH | 1650 | WEST | EDDY |

| ¹² Dedicated Acres | ¹³ Joint or Infill | ¹⁴ 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.

| | |
|--|--|
| | <p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and 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 such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p>¹⁸ SURVEYOR CERTIFICATION</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 my supervision, and that the same is true and correct to the best of my belief.</p> <p>JULY 6, 2020</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: </p> <p>Certificate Number: 12797</p> |
|--|--|

EXHIBIT

A

Intent ☐ As Drilled ☐

| | | |
|--|---|---------------------|
| API # | | |
| Operator Name: DEVON ENERGY PRODUCTION COMPANY, L.P. | Property Name: SHETLAND 11-2 FED STATE COM | Well Number 712H |

Kick Off Point (KOP)

| | | | | | | | | | |
|----------|---------|----------|-------|-----|-----------|----------|------|----------|--------|
| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
| Latitude | | | | | Longitude | | | | NAD |

First Take Point (FTP)

| | | | | | | | | | |
|------------------------|---------------|-----------------|--------------|-----|--------------------------|-------------------|--------------|------------------|----------------|
| UL N | Section 11 | Township 26S | Range 31E | Lot | Feet 100 | From N/S SOUTH | Feet 1650 | From E/W WEST | County EDDY |
| Latitude 32.0504359 | | | | | Longitude 103.7520947 | | | | NAD 83 |

Last Take Point (LTP)

| | | | | | | | | | |
|------------------------|--------------|-----------------|--------------|-----|--------------------------|-------------------|--------------|------------------|----------------|
| UL C | Section 2 | Township 26S | Range 31E | Lot | Feet 100 | From N/S NORTH | Feet 1650 | From E/W WEST | County EDDY |
| Latitude 32.0792025 | | | | | Longitude 103.7521097 | | | | NAD 83 |

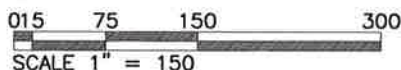
Is this well the defining well for the Horizontal Spacing Unit? ☐Is this well an infill well? ☐

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

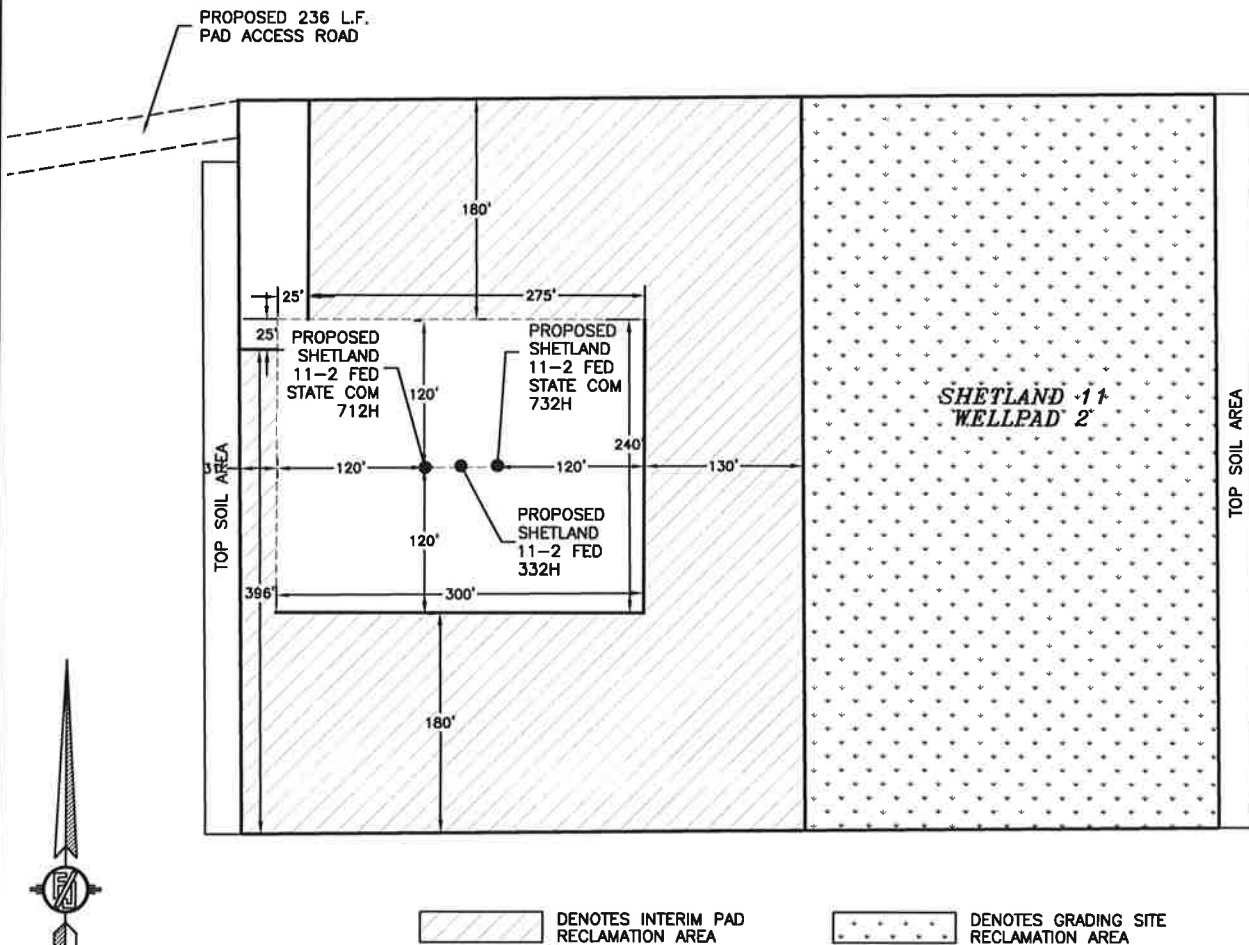
| | | |
|----------------|----------------|-------------|
| API # | | |
| Operator Name: | Property Name: | Well Number |

KZ 06/29/2018

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE. ELEVATION VALUES ARE NAVD88.



**SECTION 11, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
INTERIM SITE BUILD PLAN**



015 75 150 300
SCALE 1" = 150'

4.436± ACRES INTERIM PAD RECLAMATION AREA
4.674± ACRES GRADING SITE RECLAMATION AREA
1.907± ACRES NON-RECLAIMED AREA
11.017± ACRES SHETLAND 11 WELLPAD 2

**DEVON ENERGY PRODUCTION COMPANY, L.P.
SHETLAND 11-2 FED STATE COM 712H
LOCATED 350 FT. FROM THE SOUTH LINE
AND 2080 FT. FROM THE WEST LINE OF
SECTION 11, TOWNSHIP 26 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO**

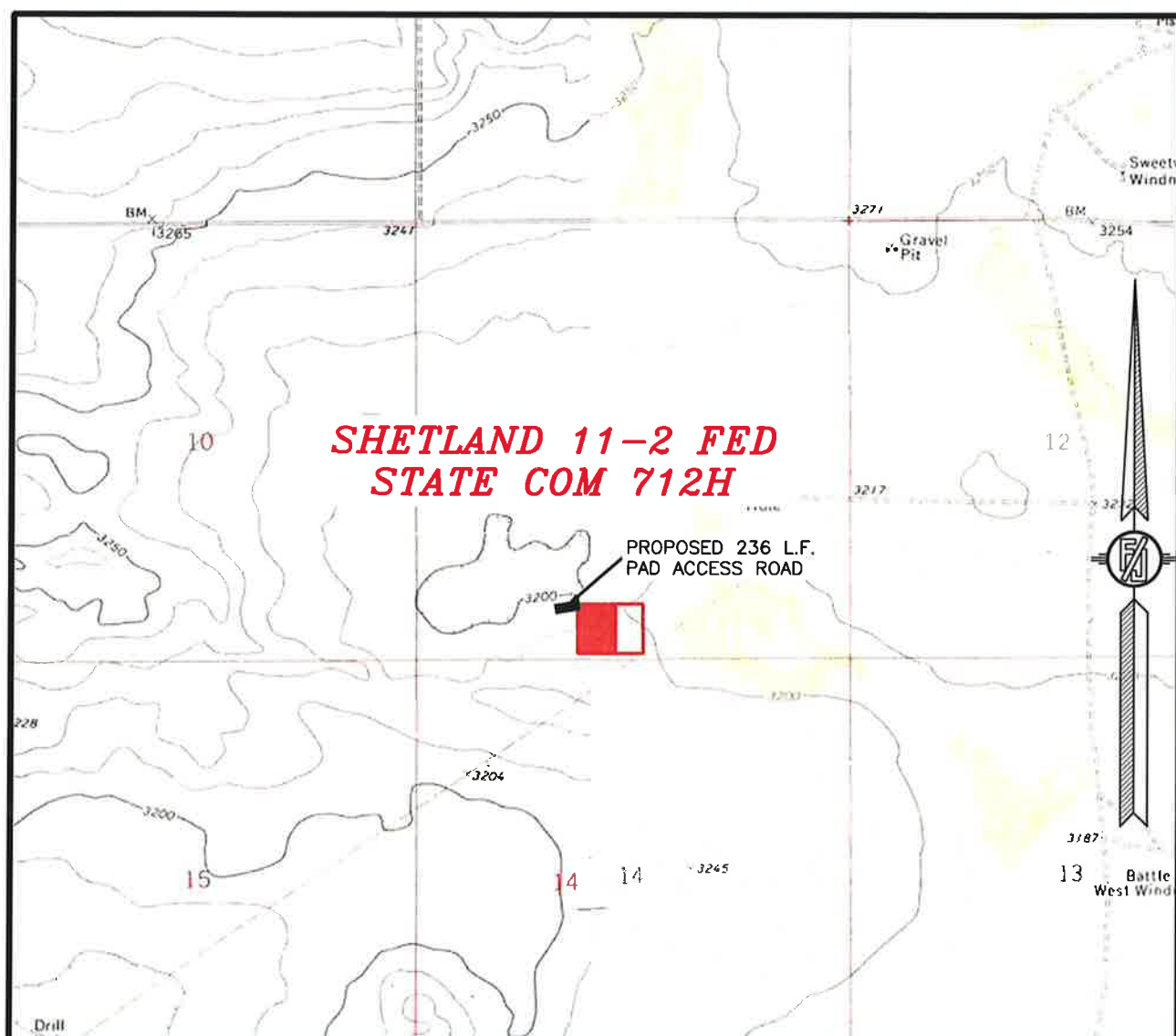
JULY 6, 2020

SURVEY NO. 7471A

MADRON SURVEYING, INC. 301 SOUTH CANAL
(575) 234-3341

CARLSBAD, NEW MEXICO

SECTION 11, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO
 LOCATION VERIFICATION MAP



USGS QUAD MAP:
 PHANTOM BANKS &
 PADUCA BREAKS WEST

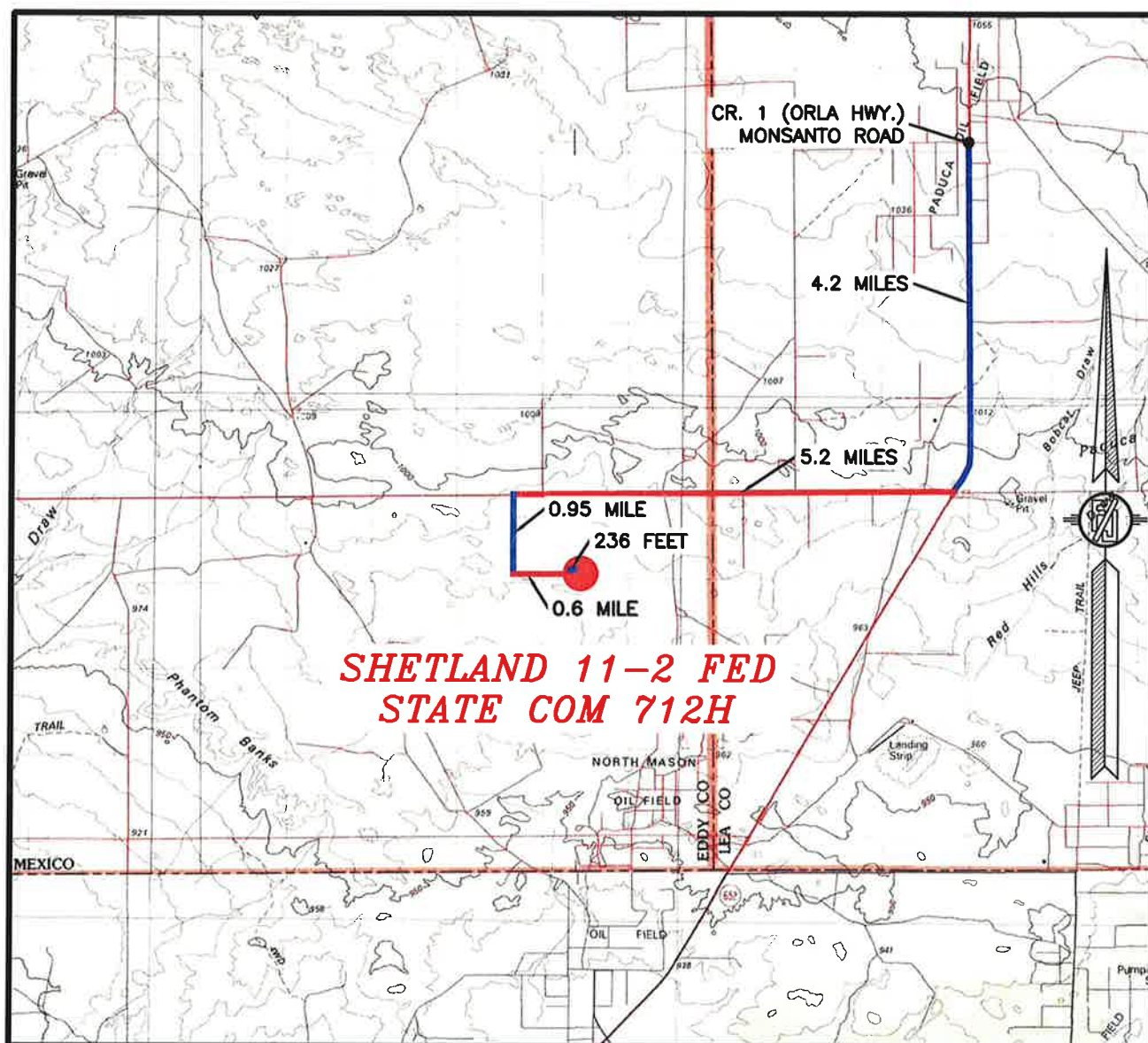
NOT TO SCALE

DEVON ENERGY PRODUCTION COMPANY, L.P.
SHETLAND 11-2 FED STATE COM 712H
 LOCATED 350 FT. FROM THE SOUTH LINE
 AND 2080 FT. FROM THE WEST LINE OF
 SECTION 11, TOWNSHIP 26 SOUTH,
 RANGE 31 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO

JULY 6, 2020

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 SURVEY NO. 7471A
 CARLSBAD, NEW MEXICO

SECTION 11, 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 4.2 MILES TO A CALICHE ROAD (ROSS/PIPELINE ROAD), TURN RIGHT AND GO WEST 5.23 MILES, TURN LEFT AND GO SOUTH 0.95 MILES, TURN LEFT AND GO EAST 0.6 MILES TO EXISTING PAD FOR SHETLAND 11, WELLPAD 2. AT THE NORTHEAST EDGE OF PAD FOLLOW ROAD SURVEY EAST 236' TO THE NORTHWEST PAD CORNER FOR THIS LOCATION.

DEVON ENERGY PRODUCTION COMPANY, L.P.

SHETLAND 11-2 FED STATE COM 712H

LOCATED 350 FT. FROM THE SOUTH LINE

AND 2080 FT. FROM THE WEST LINE OF

SECTION 11, TOWNSHIP 26 SOUTH,

RANGE 31 EAST, N.M.P.M.

EDDY COUNTY, STATE OF NEW MEXICO

JULY 6, 2020

SURVEY NO. 7471A

MADRON SURVEYING, INC.

301 SOUTH CANAL
(575) 234-3341

CARLSBAD, NEW MEXICO

SECTION 11, 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

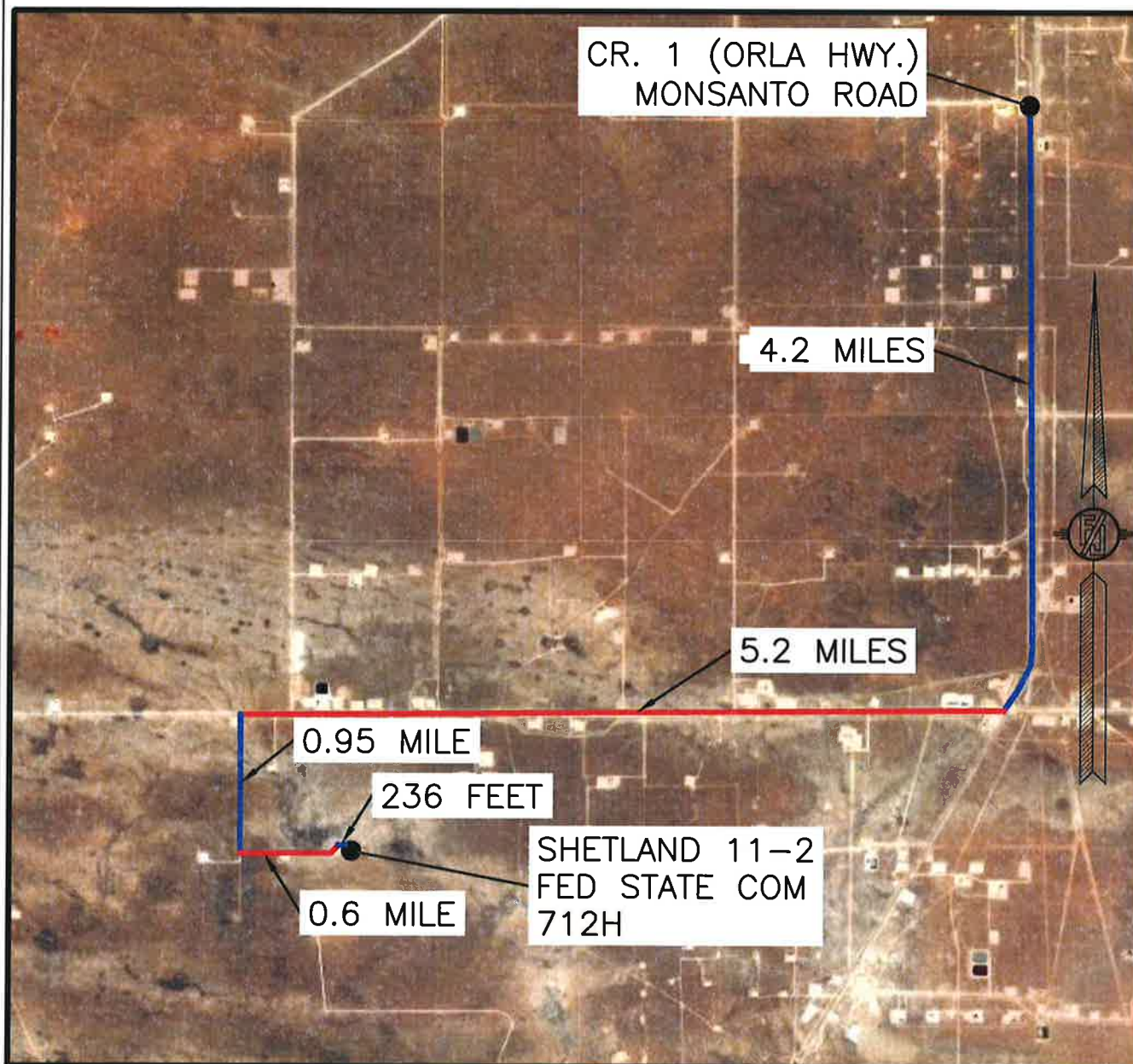
DEVON ENERGY PRODUCTION COMPANY, L.P.
SHETLAND 11-2 FED STATE COM 712H
 LOCATED 350 FT. FROM THE SOUTH LINE
 AND 2080 FT. FROM THE WEST LINE OF
 SECTION 11, TOWNSHIP 26 SOUTH,
 RANGE 31 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO

JULY 6, 2020

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3311 CARLSBAD, NEW MEXICO

SURVEY NO. 7471A

SECTION 11, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO
 AERIAL ACCESS ROUTE MAP



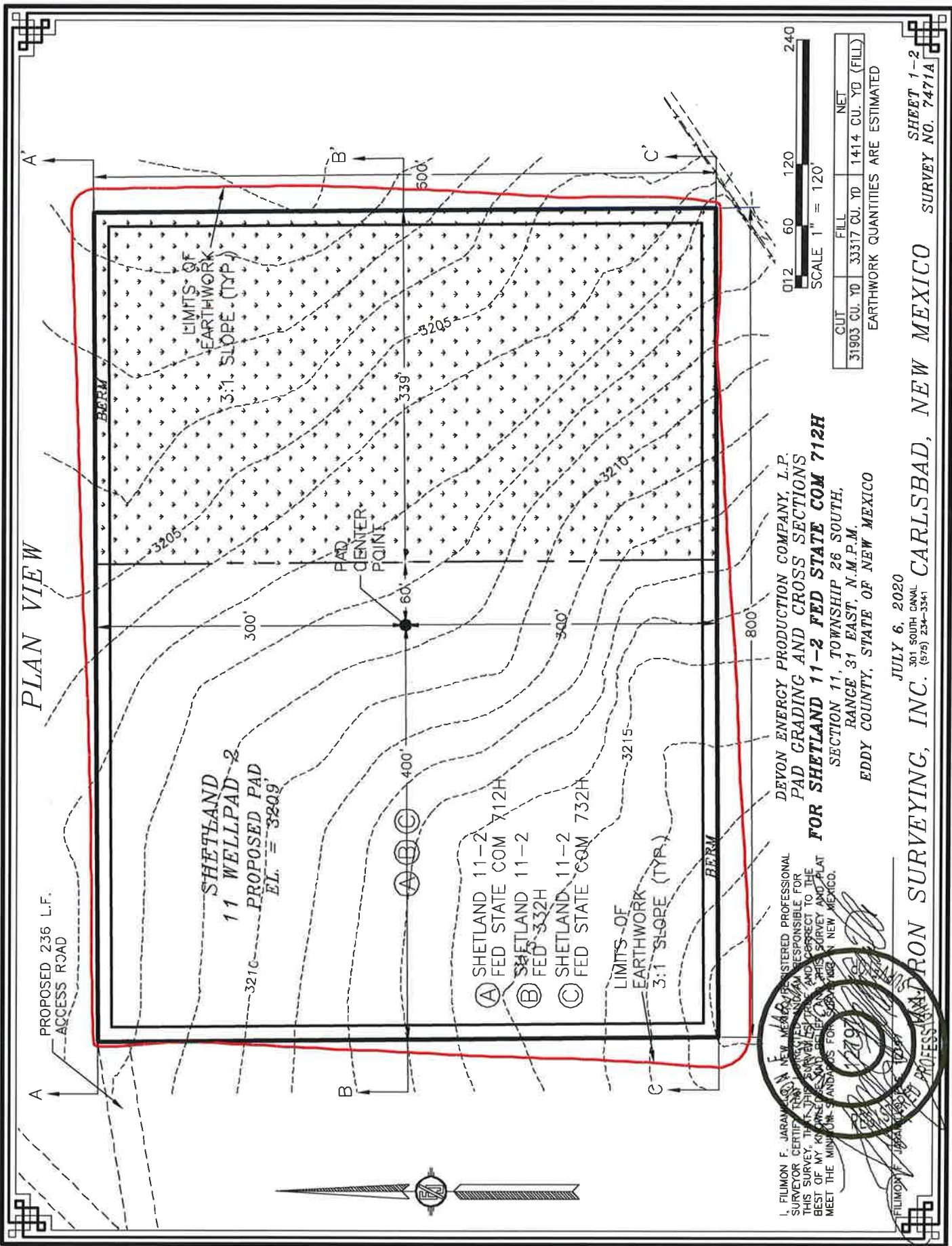
NOT TO SCALE
 AERIAL PHOTO:
 GOOGLE EARTH
 FEB. 2019

DEVON ENERGY PRODUCTION COMPANY, L.P.
SHETLAND 11-2 FED STATE COM 712H
 LOCATED 350 FT. FROM THE SOUTH LINE
 AND 2080 FT. FROM THE WEST LINE OF
 SECTION 11, TOWNSHIP 26 SOUTH,
 RANGE 31 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO

JULY 6, 2020

SURVEY NO. 7471A

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



PLAN VIEW

DEVON ENERGY PRODUCTION COMPANY L.P.
PAD GRADING AND CROSS SECTIONS
FOR SHETLAND 11-2 FED STATE COM 712H
SECTION 11, TOWNSHIP 26 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

| CUT | FILL | NET |
|--------------|--------------|--------------------|
| 31903 CU. YD | 33317 CU. YD | 1414 CU. YD (FILL) |

EARTHWORK QUANTITIES ARE ESTIMATED



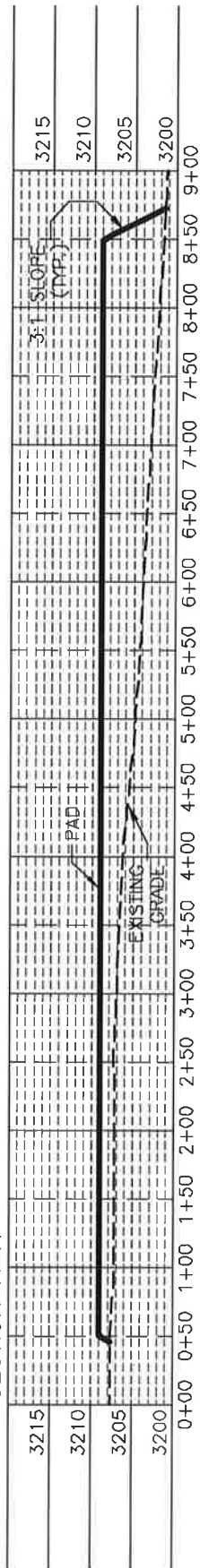
JULY 6, 2020
301 SOUTH CANAL
(975) 234-3341

IRON SURVEYING, INC., CARLSBAD, NEW MEXICO

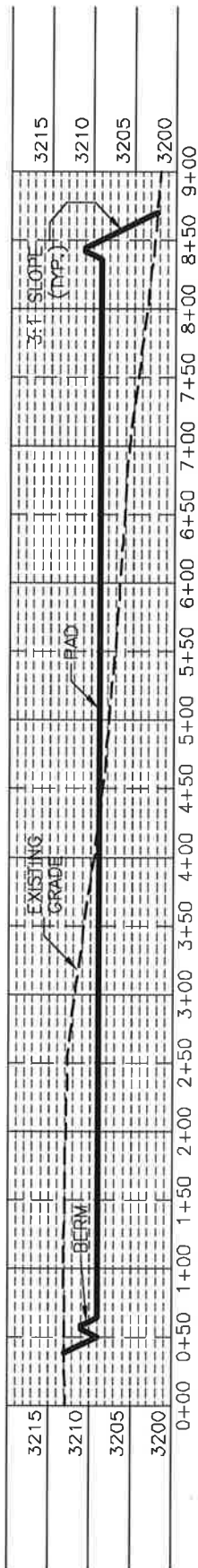
SHEET 1-2
SURVEY NO. 7471A

CROSS-SECTIONS

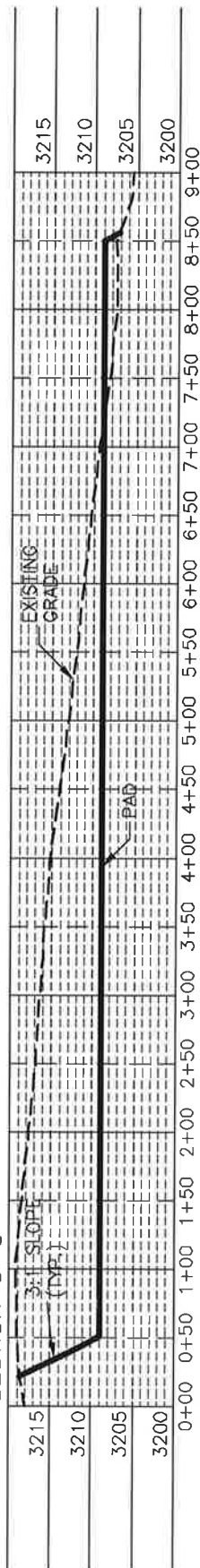
SECTION A-A'



SECTION B-B'



SECTION C-C'



I, FILMON F. JARAMILLO, REGISTERED PROFESSIONAL SURVEYOR, CERTIFY THAT THE INFORMATION CONTAINED IN THIS SURVEY, AND THE ACCURACY OF THE SURVEY, ARE THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT I AM A MEMBER OF THE SURVEYING BOARD OF THE STATE OF NEW MEXICO.



DEVON ENERGY PRODUCTION COMPANY, L.P.
PAD GRADING AND CROSS SECTIONS
FOR SHETLAND 11-2 FED STATE COM 712H
SECTION 11, TOWNSHIP 26 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

JULY 6, 2020

301 SOUTH CANAL
(575) 234-3341

FILMON F. JARAMILLO, REGISTERED PROFESSIONAL SURVEYOR

CARLSBAD, NEW MEXICO

SURVEY NO. 7471A

SHEET 2-2

012 60 120 240
SCALE 1" = 120' - 1" = 20' VER

| CUT | FILL | NET |
|--------------|--------------|--------------------|
| 31903 CU. YD | 33317 CU. YD | 1414 CU. YD (FILL) |

EARTHWORK QUANTITIES ARE ESTIMATED

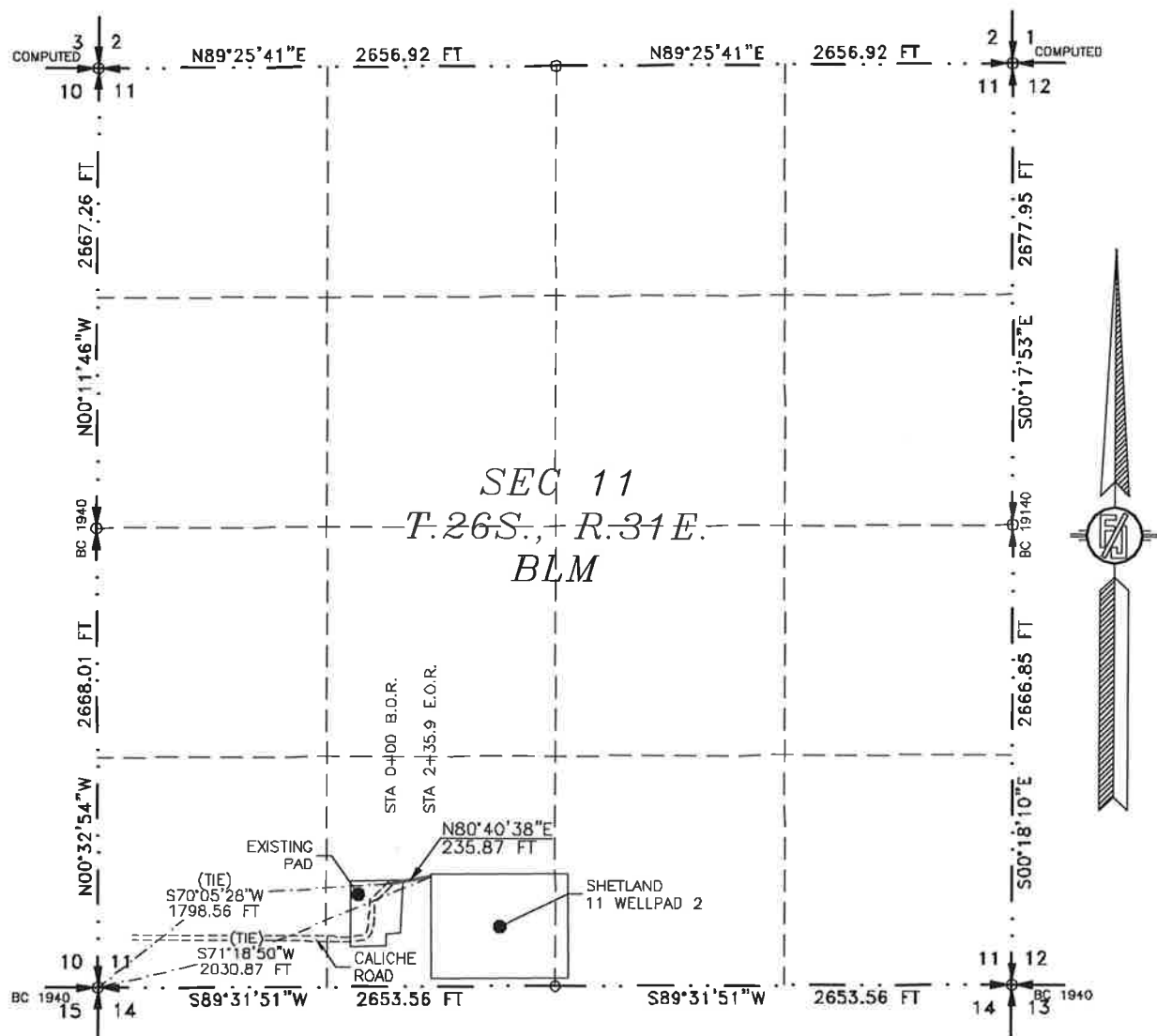
ACCESS ROAD PLAT (AA000297614)

ACCESS ROAD FOR SHETLAND 11 WELLPAD 2

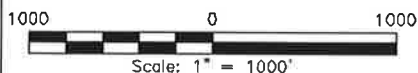
(SHETLAND 11-2 FED STATE COM 712H, FED 332H, FED STATE COM 732H)

DEVON ENERGY PRODUCTION COMPANY, L.P.CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING
SECTION 11, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

JULY 6, 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 SOUTH CANAL CARLSBAD, NEW MEXICO (575) 234-3341**SURVEYOR CERTIFICATE**

I, FILMON 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 STATE OF NEW MEXICO.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED AT CARLSBAD, NEW MEXICO, ON JULY 6, 2020.

NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797

MADRON SURVEYING, INC.
301 SOUTH CANAL
CARLSBAD, NEW MEXICO 88220
Phone (575) 234-3341**SURVEY NO. 7471A**

ACCESS ROAD PLAT (AA000297614)

ACCESS ROAD FOR SHETLAND 11 WELLPAD 2

(SHETLAND 11-2 FED STATE COM 712H, FED 332H, FED STATE COM 732H)

DEVON ENERGY PRODUCTION COMPANY, L.P.**CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING
SECTION 11, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO****JULY 6, 2020****DESCRIPTION**

A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 11, 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 SE/4 SW/4 OF SAID SECTION 11, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M., WHENCE THE SOUTHWEST CORNER OF SAID SECTION 11, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS S70°05'28"W, A DISTANCE OF 1798.56 FEET;

THENCE N80°40'38"E A DISTANCE OF 235.87 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE SOUTHWEST CORNER OF SAID SECTION 11, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS S71°18'50"W, A DISTANCE OF 2030.87 FEET;

SAID STRIP OF LAND BEING 235.87 FEET OR 14.29 RODS IN LENGTH, CONTAINING 0.162 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

SE/4 SW/4 235.87 L.F. 14.29 RODS 0.162 ACRES

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 THE STATE OF NEW MEXICO.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED AT CARLSBAD, NEW MEXICO, ON THE 6TH DAY OF JULY 2020

12797

FILIMON F. JARAMILLO, P.S. 12797
301 SOUTH CANAL
(575) 234-3341

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

SURVEY NO. 7471A

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. CARLSBAD, NEW MEXICO

[illegible]

EXHIBIT

B



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

July 17, 2020

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO AFFECTED PARTIES:

Re: Application of Devon Energy Production, LP, for administrative approval of an unorthodox well location for its Shetland 11-2 Fed State Com #712H Well in the W/2 of Sections 2 and 11, 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.

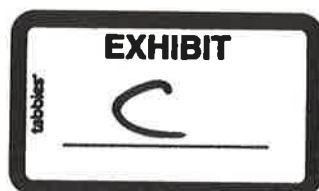
If you have any questions about this application, please contact the following:

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Kaitlyn Luck", written over a horizontal line.

Kaitlyn A. Luck
**ATTORNEY FOR DEVON ENERGY PRODUCTION
COMPANY, L.P.**





Shipment Confirmation Acceptance Notice

A. Mailer Action

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.

Shipment Date: 07/17/2020

Shipped From:

Name: HOLLAND & HART LLP (1)

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

**Devon - Shetland 611H, 613H, 711H, 712H, 732H NSL
CM# 41132.0002**

| Type of Mail | Volume |
|------------------------------|----------|
| Priority Mail Express® | |
| Priority Mail® | 0 |
| First-Class Package Service® | |
| Returns | |
| International* | |
| Other | 4 |
| Total | 4 |

*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
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. 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 0023 0575 16



Firm Mailing Book For Accountable Mail

| Name and Address of Sender | | | | | | Check type of mail or service <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Signature Confirmation Insured Mail <input type="checkbox"/> Insured Mail <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Priority Mail | | | | | | | | Affix Stamp Here <i>(if issued as an international certificate of mailing or for additional copies of this receipt).</i> Postmark with Date of Receipt. | | | | | | | | | | | | | | | | | |
|---|-----------------------------|--|------|------|--|---|--|--|--|--|---------|---------------------|-----------------|--|---------------|------------------|---------|----------|--------|--------|--------|--|--------|--|--|--|--|--|--|--|--|
| USPS Tracking/Article Number | | Addressee (Name, Street, City, State, & ZIP Code™) | | | | | | | | | Postage | (Extra Service) Fee | Handling Charge | Actual Value if Registered | Insured Value | Due Sender # COD | ASR Fee | ASRD Fee | RD Fee | RR Fee | SC Fee | SCRD Fee | SH Fee | | | | | | | | |
| 1. | 9214 8901 9403 8316 8330 11 | Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508 | 1.90 | 3.55 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. | 9214 8901 9403 8316 8330 28 | Slate Land Office 310 Old Santa Fe Trail Santa Fe NM 87501 | 1.90 | 3.55 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. | 9214 8901 9403 8316 8330 35 | ConocoPhillips Company 600 N Dairy Ashford Houston TX 77079 | 1.90 | 3.55 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4. | 9214 8901 9403 8316 8330 42 | Newbourne Oil Company 500 West Texas Suite 1020 Midland TX 79701 | 1.90 | 3.55 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Total Number of Pieces listed by Sender | 4 | Total Number of Pieces Received at Post Office | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| US Form 3877, April 2015 PSN 7530-02-000-9098 | | (Page 1 of 1) | | | | | | | | | | Complete in Ink | | | | | | | | | | Privacy Notice: For more information on USPS privacy policies, visit usps.com/privacypolicy. | | | | | | | | | |



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

July 15, 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.
Shetland 11-2 Fed State Com 611H, 711H, 712H, 732H
Shetland 2-11 State Fed Com 613H
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 Shetland wells referenced above by decreasing the first and 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 460 feet thereby increasing ultimate recovery of reserves and preventing waste of natural resources.

Sincerely,

A handwritten signature in cursive script that reads "Paige Bowes".

Paige Bowes
Reservoir Engineer

