

NSL Initial Application

Received: 11/03/20

P.O. No. ERKXX-201103-NSL000

Revised March 23, 2017

RECEIVED: 11/03/20	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2031039020
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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: Right Meow 31-30 Fed Com #232H Well **API:** 30-025-47212
Pool: Sand Dunes; Bone Spring, South **Pool Code:** 53805

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

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

- 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

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

November 3 2020
 Date

505-954-7286
 Phone Number

kaluck@hollandhart.com
 e-mail Address



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

November 3, 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 Right Meow 31-30 Fed Com #232H Well in the W/2 of Sections 30 and 31, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

Dear Ms. Sandoval:

Devon Energy Production, LP (“Devon”) (OGRID No. 6137) seeks administrative approval of an unorthodox well location for its **Right Meow 31-30 Fed Com #232H Well** (API No. 30-025-47212) to be completed within the Sand Dunes; Bone Spring, South Pool (Pool code 53805) underlying the W/2 of Sections 30 and 31, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico, as follows:

- Surface hole location: 165’ FSL, and 2,255’ FWL (Unit N) of Section 31
- Bottom hole location: 20’ FNL, and 2,410’ FWL (Unit C) of Section 30
- First take point: 100’ FSL, and 2,410’ FWL (Unit N) of Section 31
- Last take point: 100’ FNL, and 2,410’ FWL (Unit C) of Section 30

Since this acreage is governed by the Division’s statewide rules, the completed interval for the **Right Meow 31-30 Fed Com #232H Well** is unorthodox because the completed interval is closer than the standard offsets to the eastern boundary of the spacing unit in Section 30. The **Right Meow 31-30 Fed Com #232H Well** encroaches on the adjoining spacing unit located in the SW/4 NE/4 and the W/2 SE/4 of Section 30 (Units G, J, and O). 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 the Well Location and Acreage Dedication Plat (Form C-102) showing Devon’s plans for the completed interval of the **Right Meow 31-30 Fed Com #232H Well**.

However, due to issues encountered during drilling, the completed interval of the wellbore is at an unorthodox location. **Exhibit B** is a land plat for Sections 30 and 31 that shows the proposed **Right Meow 31-30 Fed Com #232H Well** in relation to the adjoining spacing unit to the east in Section 30. **Exhibit B** also includes an as-drilled map showing the **Right Meow 31-30 Fed Com #232H Well** encroaches on the horizontal spacing unit to the east in Section 30, and this map also reflects the as-drilled footages of the unorthodox well.

Ownership is diverse between the subject spacing unit and the spacing units to the east. **Exhibit C** includes a copy of this application that was sent by certified mail to the affected parties advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application, and proof of mailing. Since federal lands are involved, the Bureau of Land Management was provided notice.

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
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

OCD - HOBBS
06/01/2020
RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-47212	² Pool Code 53805	³ Pool Name SAND DUNES;BONE SPRING, SOUTH
⁴ Property Code 328252	⁵ Property Name RIGHT MEOW 31-30 FED COM	
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	
		⁶ Well Number 232H
		⁹ Elevation 3564.7

¹⁰ Surface Location

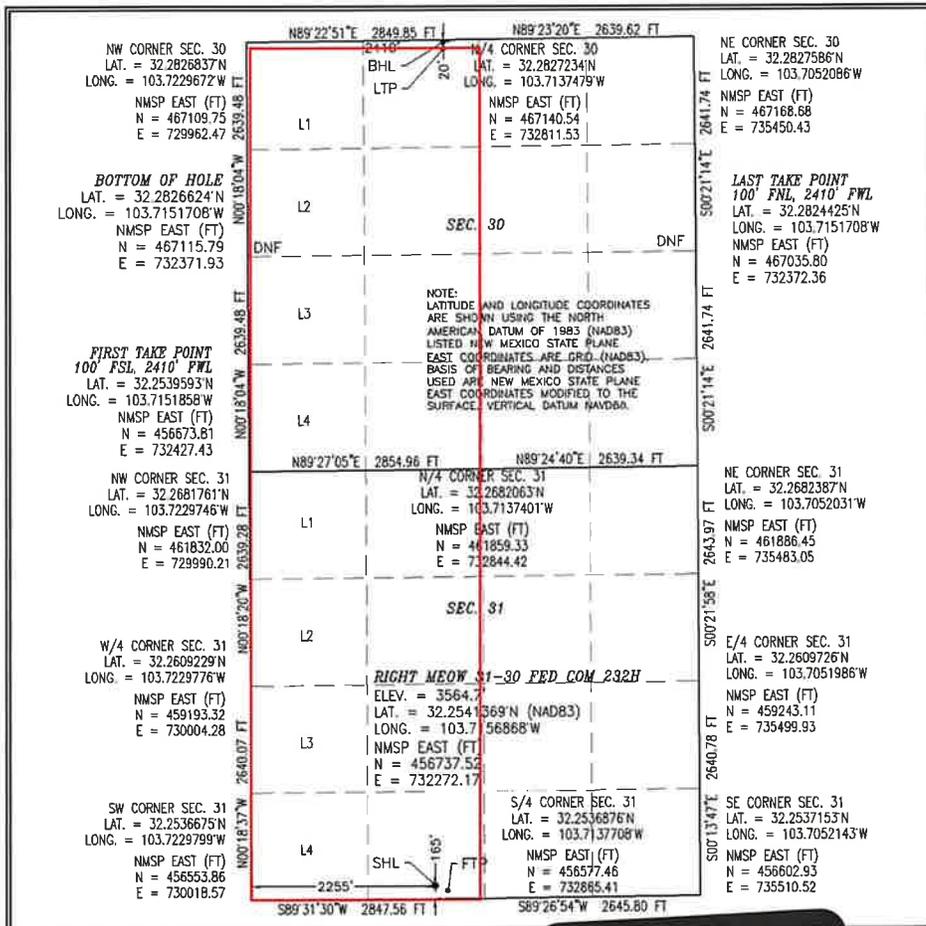
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	31	23 S	32 E		165	SOUTH	2255	WEST	LEA

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	30	23 S	32 E		20	NORTH	2410	WEST	LEA

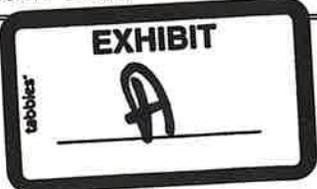
¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



¹⁷ OPERATOR CERTIFICATION
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 with the division.
Jenny Harms 10-24-2019
Signature Date
JENNY HARMS
Printed Name
JENNY.HARMS@DVN.COM
E-mail Address

¹⁸ SURVEYOR CERTIFICATION
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.
SEPTEMBER 23, 2019
Date of Survey
William F. Jaramila
Signature and Seal of Professional Surveyor
Certificate Number: *William F. Jaramila* PLS 12797
NEW MEXICO PROFESSIONAL SURVEYOR NO. 7605



Intent As Drilled

API # 30-025-47212		
Operator Name: DEVON ENERGY PRODUCTION CO., L.P.	Property Name: RIGHT MEOW 31-30 FED COM	Well Number 232H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
	31	23S	32E		235 FNL		2410 FWL		LEA
Latitude 32.25303400					Longitude -103.71495100				NAD

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
N	31	23S	32E		100	SOUTH	2410	WEST	LEA
Latitude 32.2539593					Longitude 103.7151858				NAD 83

Last Take Point (LTP)

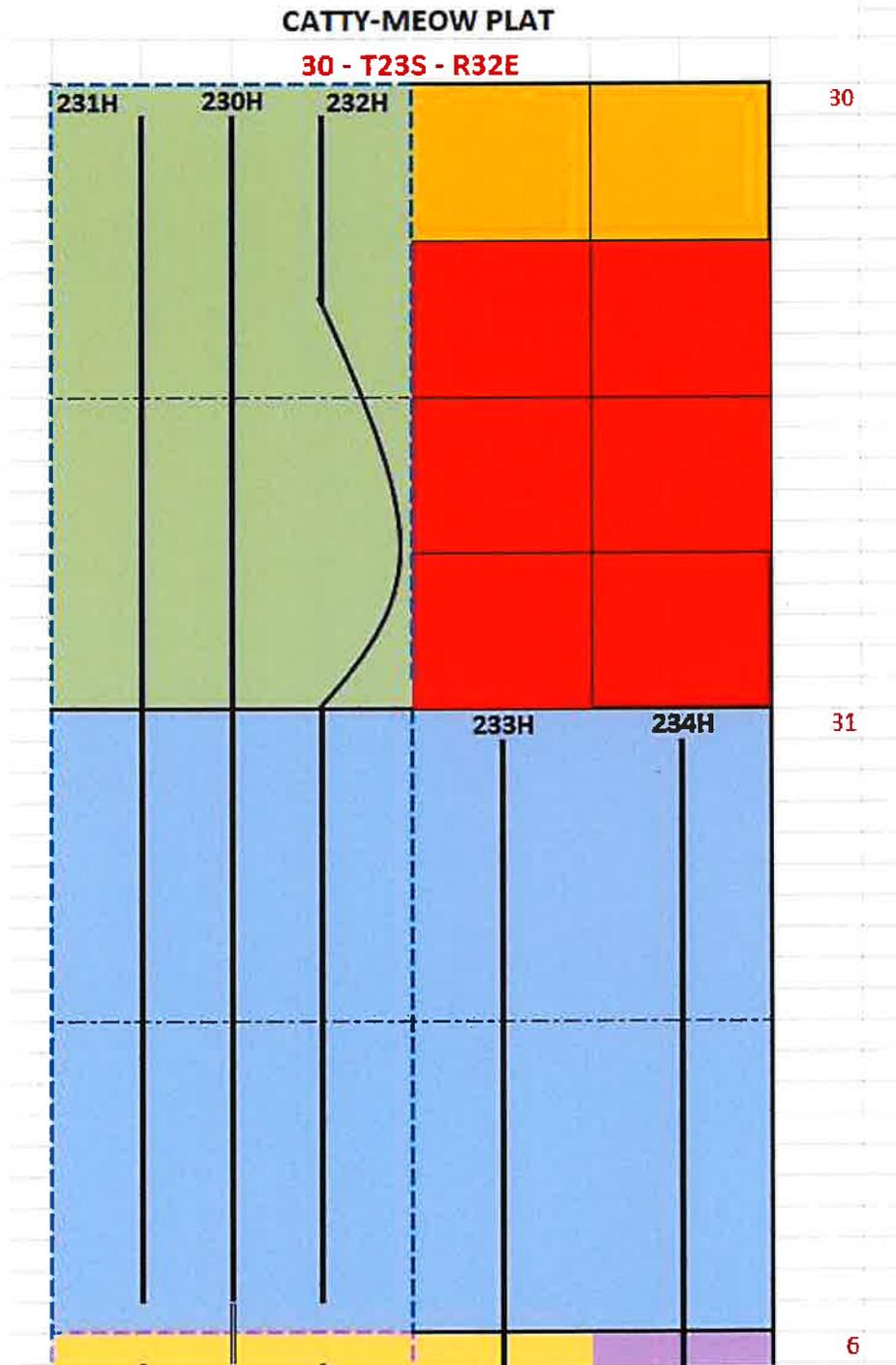
UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
C	30	23S	32E		100	NORTH	2410	WEST	LEA
Latitude 32.2824425					Longitude 103.7151708				NAD 83

Is this well the defining well for the Horizontal Spacing Unit? NO

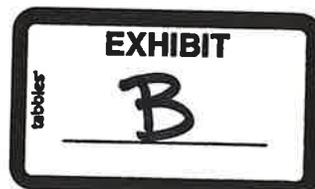
Is this well an infill well? YES

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

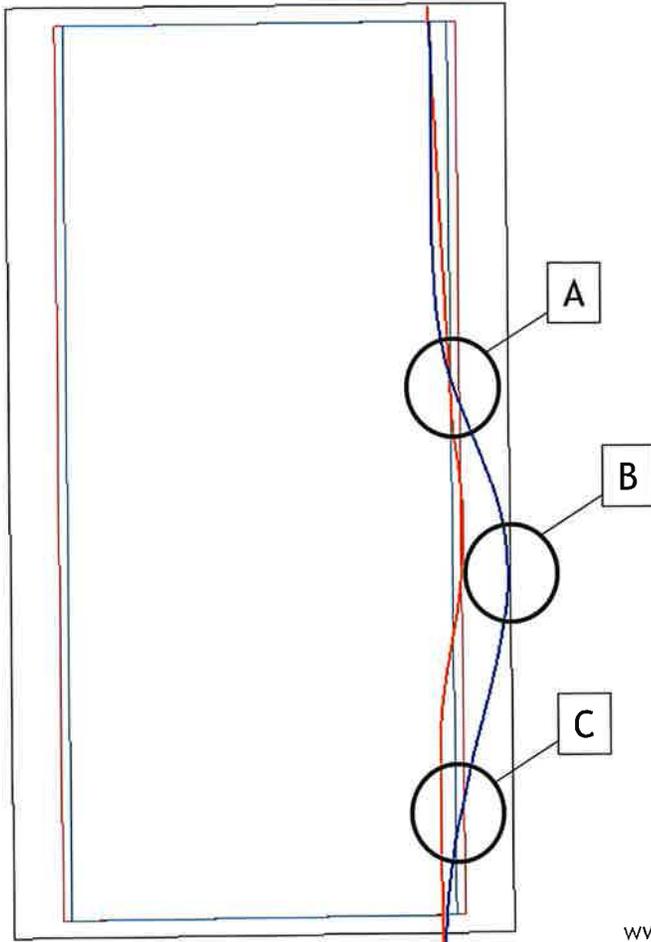


15637978_v1



30-23S-32E

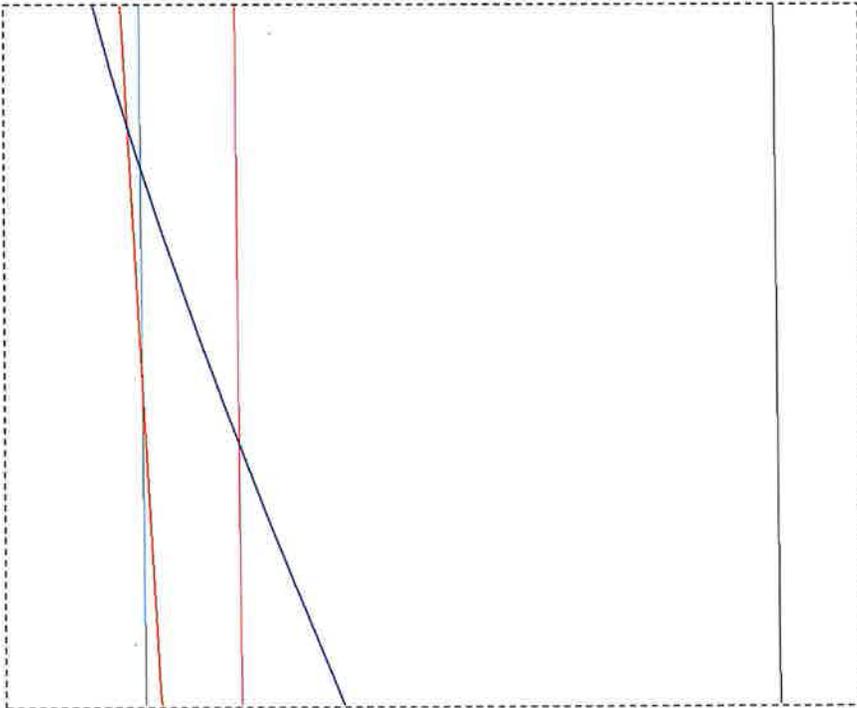
High Level Plan View



- Blue Line indicates the well trajectory
- Red Line indicates permitted plan
- Black Box indicates Devon's lease (half section)
- Red Box indicates a 280' E/W offset from the lease line (100' N/S)
- Green Box indicates a 330' E/W offset from the lease line (100' N/S)
- Zoomed in pictures of Window A, B, and C are located on subsequent pages

30-23S-32E

Window A



Actual Well Trajectory

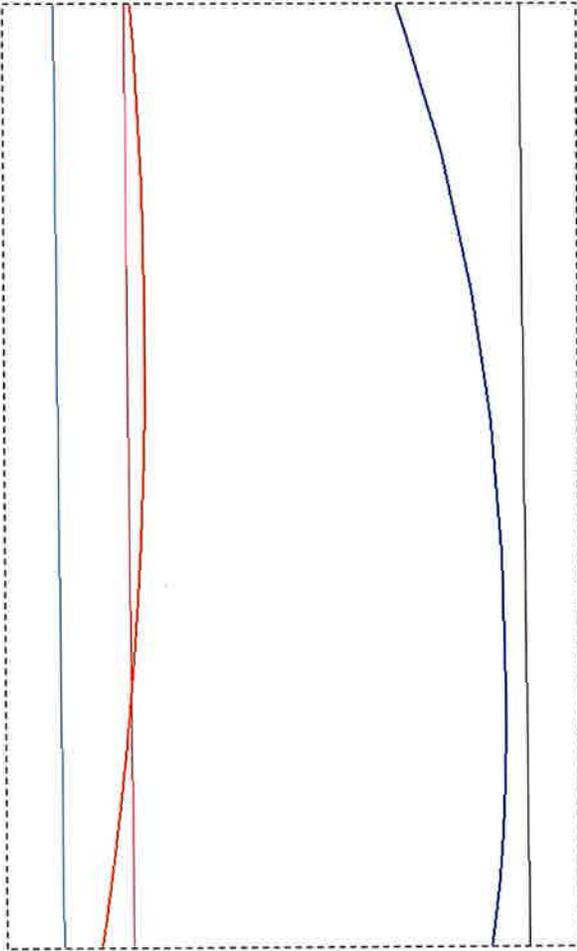
- Intersection of 280' offset at:
18240.43' MD; 10352.19' TVD; 273.56' E/W; 8129.59' N/S
- Intersection of 330' offset at:
18392.44' MD; 10348.26' TVD; 222.42' E/W; 8272.08' N/S

Permitted Well Trajectory

- Intersection of 280' offset at:
18280.56' MD; 10418.00' TVD; 276.60' E/W; 7681.60' N/S
- Intersection of 330' offset at:
18762.28' MD; 10418.00' TVD; 223.23' E/W; 8159.84' N/S

30-23S-32E

Window B



Actual Well Trajectory

- Well trajectory does **NOT** cross lease line, and closest approach is at:
17219.22' MD; 10362.21' TVD; 544.68' E/W; 7159.05' N/S

NYSE: DVN

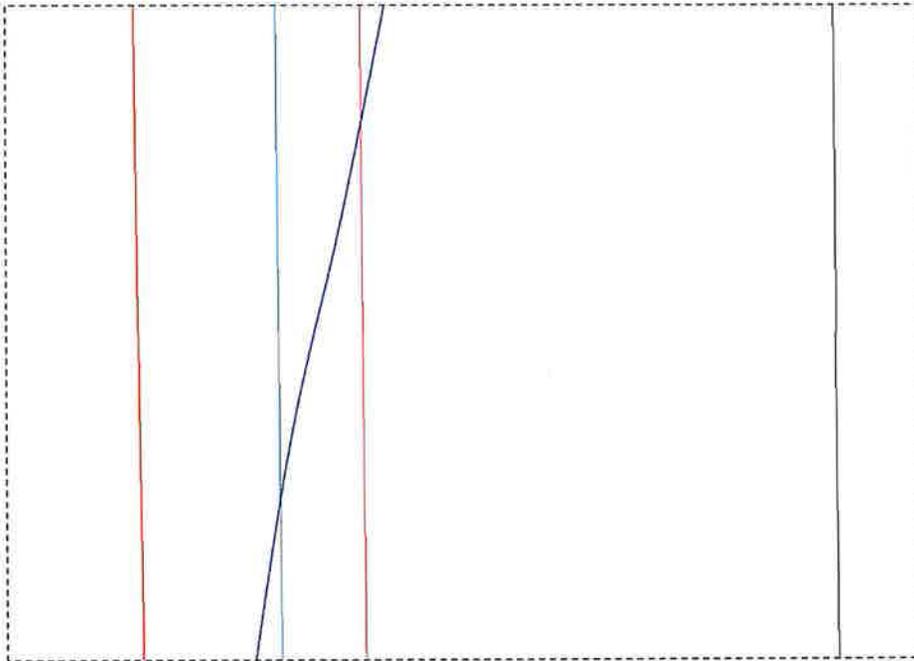
www.devonenergy.com

page 4



30-23S-32E

Window C



Actual Well Trajectory

- Intersection of 280' offset at:
15913.99' MD; 10346.59' TVD; 287.99' E/W; 5877.31' N/S
- Intersection of 330' offset at:
15686.24' MD; 10340.62' TVD; 239.44' E/W; 5654.93' N/S

Permitted Well Trajectory (crossing not shown in window)

- Intersection of 280' offset at:
17745.62' MD; 10418.00' TVD; 279.79' E/W; 7147.44' N/S
- Intersection of 330' offset at:
17408.15' MD; 10418.00' TVD; 231.95' E/W; 6813.52' N/S



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

November 3, 2020

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO:

EOG Resources
Attn: Wendy Dalton, Land Manager
5509 Champions Drive
Midland, TX 79706

Bureau of Land Management
301 Dinosaur Trail
Santa Fe, New Mexico 87508

Re: Application of Devon Energy Production, LP, for administrative approval of an unorthodox well location for its Right Meow 31-30 Fed Com #232H Well in the W/2 of Sections 30 and 31, Township 23 South, Range 32 East, N.M.P.M., Lea 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:

Katie Dean
Devon Energy
(405) 552-6659
Katie.Dean@dvn.com

Sincerely,

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

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska
Colorado
Idaho

Montana
Nevada
New Mexico

Utah
Washington, D.C.
Wyoming





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.

Devon - Right Meow 232H NSL
CM# 41132.0002

Shipment Date: 10/30/2020
 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
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 0025 0436 85



Firm Mailing Book For Accountable Mail

Name and Address of Sender Holland & Hart LLP (1) 110 N Guadalupe St # 1 Santa Fe NM 87501		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 Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Priority Mail		Affix Stamp Here <i>(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 if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee	
1. 9214 8901 9403 8324 0387 12	EOG Resources Attn: Wendy Dallon Land Manager 5509 Champions Drive Midland TX 79706	0.80	3.55	Handling Charge - if Registered and over \$50,000 in value							1.70				
2. 9214 8901 9403 8324 0387 29	Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	0.80	3.55									1.70			
									Adult Signature Required						
									Adult Signature Restricted Delivery						
									Restricted Delivery						
									Return Receipt						
									Signature Confirmation						
									Signature Confirmation Restricted Delivery						
									Special Handling						
Total Number of Pieces Listed by Sender 2	Total Number of Pieces Received at Post Office	Postmaster, Per (Name of receiving employee)													



Devon Energy Corporation
333 W. Sheridan Avenue
Oklahoma City, OK 73102

405 235 3611 Phone
www.devonenergy.com

October 29, 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 Right Meow 31-30 Fed Com #232H Well in the W/2 of Sections 30 and 31, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

Dear Ms. Sandoval,

Devon Energy Production Company, L.P. respectfully requests administrative approval of an unorthodox well location for its **Right Meow 31-30 Fed Com #232H Well** (API No. 30-025-47212) to be completed within the Sand Dunes; Bone Spring, South Pool (Pool code 53805) underlying the W/2 of Sections 30 and 31, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico. It is Devon's responsibility as a prudent operator to use industry best practices/standards for wellbore trajectory planning in order to optimize well spacing, thereby preventing waste. An existing vertical well resulted in the need to steer the subject wellbore for anti-collision considerations and collision avoidance to achieve satisfactory separation factors. While steering the subject well bore along a trajectory to obtain satisfactory separation factors, the well path crossed over the East hardline.

Sincerely,

A handwritten signature in black ink, appearing to read "Jonathan Fisher".

Jonathan Fisher
Supervisor - Drilling Engineering



Lowe, Leonard, EMNRD

From: Kaitlyn A. Luck <KALuck@hollandhart.com>
Sent: Friday, November 6, 2020 9:25 AM
To: Lowe, Leonard, EMNRD
Subject: [EXT] RE: NSL Application for Devon - Right Meow well

Mr. Lowe,

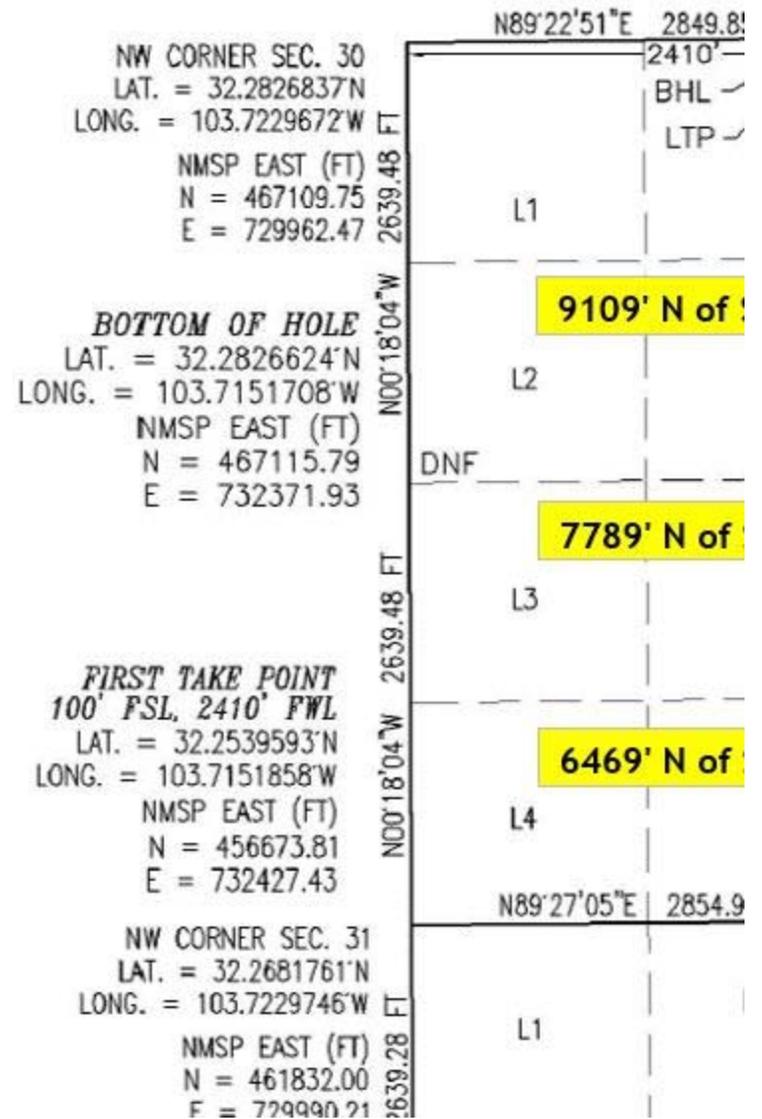
Thanks for reviewing.

Please see **my answers below in red in line** with your questions, and let us know if the Division requires anything further to review the application. Also, good news, Devon had already prepared this chart and map that shows the exact encroaching distances, which was provided to EOG:

30-23S-32E

Summary

Actual Well Trajectory					
Dist from 1/2 Section	Enter Depth (MD)	Enter N of SHL	Exit Depth (MD)	Exit N of SHL	Footage Across
330	15682	5651	18394	8273	2712
320	15732	5700	18360	8241	2628
310	15778	5745	18329	8212	2552
300	15822	5788	18300	8184	2477
290	15866	5830	18270	8156	2404
280	15912	5875	18241	8130	2329
270	15960	5923	18213	8104	2253
260	16008	5969	18186	8078	2178
250	16055	6016	18158	8052	2103
240	16100	6060	18131	8028	2031
230	16144	6102	18104	8003	1961
220	16186	6143	18077	7978	1892
210	16225	6181	18050	7953	1826
200	16264	6219	18023	7928	1759
190	16302	6255	17996	7902	1694
180	16340	6292	17969	7877	1629
170	16378	6328	17941	7852	1564
160	16415	6364	17914	7826	1499
150	16452	6400	17886	7801	1434
140	16491	6438	17859	7775	1368
130	16530	6475	17830	7749	1301
120	16569	6514	17802	7723	1233
110	16611	6554	17774	7696	1163
100	16652	6594	17743	7667	1091
90	16697	6638	17713	7639	1016
80	16741	6681	17682	7609	941
70	16793	6731	17646	7575	853
60	16844	6781	17610	7540	766
50	16898	6835	17567	7498	668



From: Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>
Sent: Thursday, November 5, 2020 3:24 PM
To: Kaitlyn A. Luck <KALuck@hollandhart.com>
Subject: NSL Application for Devon - Right Meow well

External Email

Ms. Kaitlyn A. Luck,

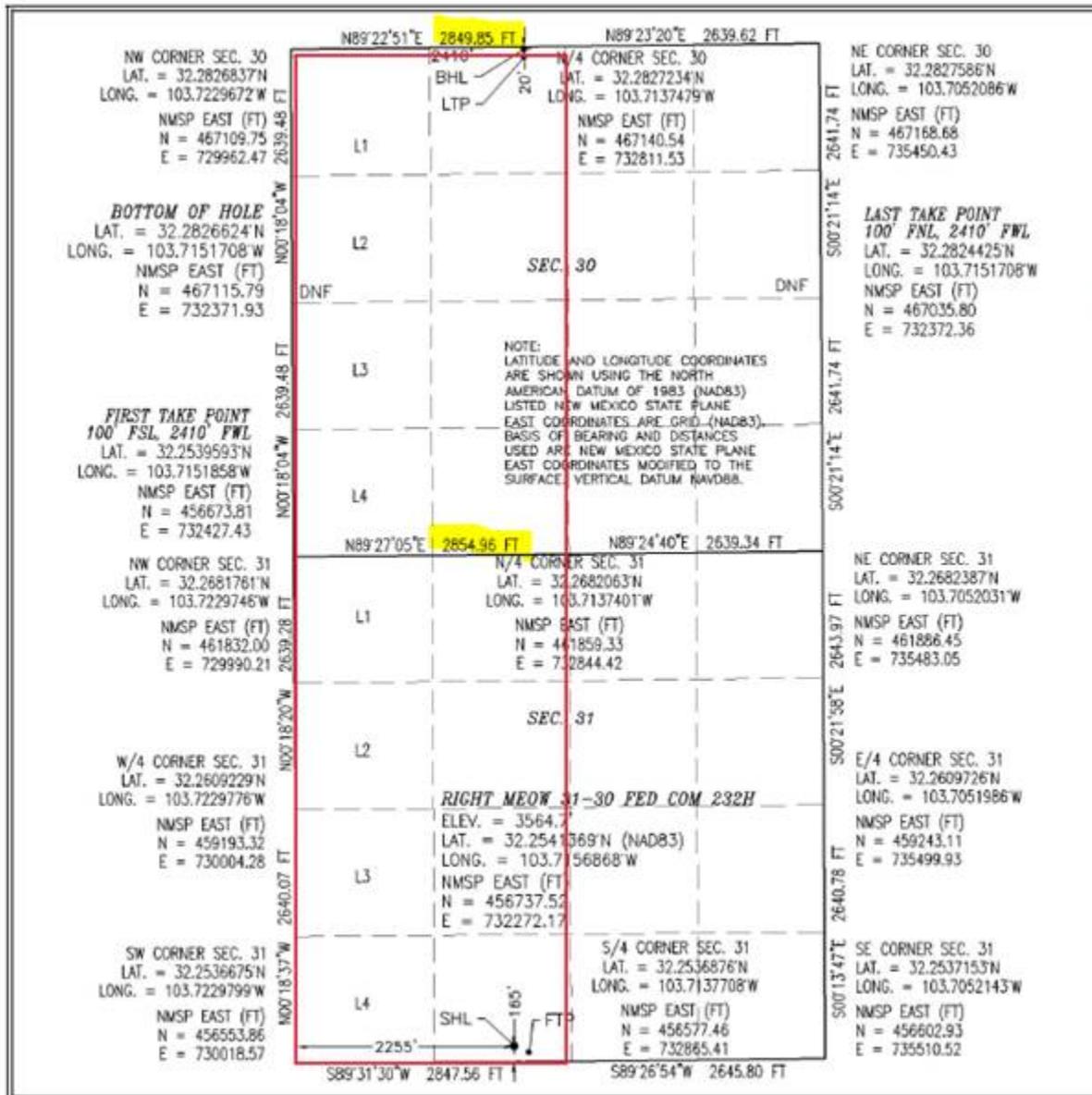
In review of your submitted NSL application.

1. What is the distance of the closest encroachment? **The closest approach to the E/2 is: 17219.22' MD; 10362.21' TVD; 544.68' E/W; 7159.05' N/S (which I believe 10-20' from the half-section line).** The application only states that you are infringing on Units "G", "J" and "O" in Section 30. **Correct, the only portion of the well that is closer than 330' is where we steered around the vertical well (impacting G, J, and O). Please see the slide above that shows the exact well location in 10' increments from the E/2.**
2. If your first and last take points are 2410 feet from the West half. Then, the well started out at an unorthodox location. Both take points are only 230 feet from the east line, when it should be 330 feet.

The FTP/LTP are 2410' FWL, that is correct. However, it is not closer than 330' to the E/2. Due to the lots along the county line, the W/2 of Sec. 30 is a very large half-section (345.76 acres). I have highlighted the total distance along the N/S line of the W/2 of Sec. 30 on the plat below.

2849.85' - 2410' = 439.85'

2854.96' - 2410' = 444.96'



3. Who are the affected parties? EOG and BLM are the only affected parties, as EOG is the operator of the adjoining spacing units. Is there a list of them? A separate list was not provided because EOG is the operator of the federal lands, requiring BLM notice, too. I only see EOG and the BLM. Is that correct? Yes. Where exactly are they located within the affected tract? EOG is the operator of the S/2 NE/4 and the SE/4 of Section 30, and BLM is the only other affected party as these are federal lands.

Your application is on hold until details are determined.

Leonard R. Lowe

Engineering Bureau

OCD - EMNRD

5200 Oakland Ave. NE

Albuquerque, N.M. 87113

C: 505-930-6717

<http://www.emnrd.state.nm.us/oed/>