NSP

Initial

Application

Received: 11/10/20

Old RECEIVED: 1/10/20 REVIEWER: APP NO: pLEL2031561699 **NSP** LRL ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

Geological & Engineering Bureau



- Geological & Engineering	J DUIEGU –
1220 South St. Francis Drive, Santo	a Fe, NM 87505
ADMINISTRATIVE APPLICATION	ON CHECKLIST
THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICA REGULATIONS WHICH REQUIRE PROCESSING AT THE	ATIONS FOR EXCEPTIONS TO DIVISION RULES AND
Applicant: <u>Devon Energy Production Company, L.P.</u>	OGRID Number: 6137
/ell Name: Shire 22-15 Fed Com 616H Well and 716H W	Vell API: 30-015-Pending
ool: <u>Purple Sage; Wolfcamp</u>	Pool Code: <u>98220</u>
SUBMIT ACCURATE AND COMPLETE INFORMATION REQUII	
1) TYPE OF APPLICATION: Check those which apply for [A] A. Location – Spacing Unit – Simultaneous Dedication NSL NSP(PROJECT AREA) NSP	
B. Check one only for [1] or [11] [1] Commingling – Storage – Measurement DHC DTB PLC PC O [11] Injection – Disposal – Pressure Increase – Enha	anced Oil Recovery
 NOTIFICATION REQUIRED TO: Check those which apply A. Offset operators or lease holders B. Royalty, overriding royalty owners, revenue ow C. Application requires published notice D. Notification and/or concurrent approval by SLO E. Notification and/or concurrent approval by BLO F. Surface owner G. For all of the above, proof of notification or put H. No notice required 	Notice Complete Application Content Complete
3) CERTIFICATION: I hereby certify that the information sub administrative approval is accurate and complete to the understand that no action will be taken on this applical notifications are submitted to the Division.	he best of my knowledge. I also
Note: Statement must be completed by an individual with	managerial and/or supervisory capacity.
	November 9, 2020
Darin Savage	Date
Print or Type Name	970-385-4401
/s/ Darin Savage	Phone Number darin@abadieschill.com
Signature	e-mail Address

SUBMITTED TO THE OIL CONSERVATION DIVISION:

Application of Devon Energy Production Company, L.P., for administrative approval of nonstandard spacing and proration unit for its Shire 22-15 Fed Com 616H Well and 716H Well located in the E/2 W/2 of Sections 15 and 22, Township 25 South, Range 31 East NMPM, Eddy County, New Mexico.

Inclusions:

- 1. Statement of attestation to the Division (19.15.15.11B(4))
- 2. Administrative Checklist for NSP application
- 3. Plats showing: (1) the proposed nonstandard spacing unit with all adjoining spacing units; (2) an applicable standard spacing unit; and (3) the proposed well dedications (19.15.15.11B(3))
- 4. A list of affected persons, with addresses, entitled to notice of the application (19.15.15.11B(3)).
- 5. A statement discussing the reasons for the formation of the nonstandard spacing unit (19.15.15.11B(3)).

ABADIE I SCHILL PC



Colorado New Mexico
Louisiana Texas
Kansas Utah
Nebraska Wyoming
Montana California
Oklahoma North Dakota

November 10, 2020

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

Copy to: Leonard Lowe, Division Hearing Examiner

Re: Application of Devon Energy Production Company, L.P., for administrative approval of nonstandard spacing and proration unit for its Shire 22-15 Fed Com 616H Well and 716H Well located in the E/2 W/2 of Sections 15 and 22, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.

Dear Director Sandoval:

Devon Energy Production Company, L.P., ("Devon"), OGRID No. 6137, is seeking administrative approval of an nonstandard spacing and proration unit ("NSP") for the Shire 22-15 Fed Com 616H Well and 716H Well (API Nos. 30-015-Pending) to be completed within the Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220) underlying the E/2 W/2 of Sections 15 and 22, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico. C-102s for the Wells are attached as Exhibit A. These are horizontal wells that will be drilled as follows:

Shire 22-15 Fed Com 616H Well:

- Surface Location (SL): 350' from the South line and 1855' from the West line of Section 22, Township 25 South, Range 31 East;
- Bottom Hole Location (BHL): 20' from the North line and 1657' from the West line of Section 15, Township 25 South, Range 31 East;
- First Take Point (FTP): 100' from the South line and 1657' from the West line of Section 22, Township 25 South, Range 31 East;
- Last Take Point (LTP): 100' from the North line and 1657' from the West line of Section 15, Township 25 South, Range 31 East.

O: 970.385.4401 • F: 970.385.4901

Shire 22-15 Fed Com 716H Well:

- Surface Location (SL): 350' from the South line and 1885' from the West line of Section 22, Township 25 South, Range 31 East;
- Bottom Hole Location (BHL): 20' from the North line and 2210' from the West line of Section 15, Township 25 South, Range 31 East;
- First Take Point (FTP): 100' from the South line and 2210' from the West line of Section 22, Township 25 South, Range 31 East;
- Last Take Point (LTP): 100' from the North line and 2210' from the West line of Section 15, Township 25 South, Range 31 East.

Devon has included as Exhibit B, a letter explaining why this application is needed. These wells will produce from the Purple Sage Wolfcamp Pool (Pool Code 98220). There are special pool rules for this pool under Order No. R-14262, that establish a 320-acre spacing unit, comprised of 160-acre, quarter section building blocks.

The nonstandard spacing unit will be comprised of the E/2 W/2 of Sections 15 and 22, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico, and therefore notice was provided to affected persons that (1) are excluded from the standard horizontal spacing unit, or (2) adjoin the non-standard horizontal spacing unit, pursuant to 19.15.16.15B(5)(b). Excluded and adjoining lands include: (1) W/2 W/2 and E/2 of Sections 15 and 22, Township 25 South, Range 31 East; (2) the W/2 of Section 10, Township 25 South, Range 31 East; and (3) the E/2 W/2 of Section 27, Township 25 South, Range 31 East.

Devon attests that, on or before submission of this application, it provided notice to the affected persons in (1) the W/2 W/2 and E/2 of Sections 15 and 22, Township 25 South, Range 31 East; (2) the W/2 of Section 10, Township 25 South, Range 31 East; and (3) the E/2 W/2 of Section 27, Township 25 South, Range 31 East; said notice as described satisfies all provisions of NMAC 19.15.16.15B(5)(b); copies of the application and required plat maps were furnished. Devon also provided notice to the Bureau of Land Management to the extent that they own interest with respect to areas adjoining the proposed nonstandard unit. Devon provides herein a sectional map of this area showing the proposed nonstandard unit and the standard unit, attached as Exhibit C. Proof of mailing, along with a copy of the notice letter sent to listed affected persons and parties, is attached hereto as Exhibit D. As a precaution, Devon also included Chevron U.S.A., Inc., a nonoperative WI owner in the W/2 of Section 10. The development plan for this unit is pursuant to a Joint Operating Agreement; therefore, there is no associated pooling case number. Devon has recently submitted NSL Applications for the two wells, 616H and 716H, located within the nonstandard unit.

Your consideration in this matter is appreciated.

Sincerely,

Darin C. Savage Attorney for Applicant District I

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

District II 811 S. First St., Artesia, NM 88210

Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

12 Dedicated Acres

13 Joint or Infill

14 Consolidation Code

1 A DT AT

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

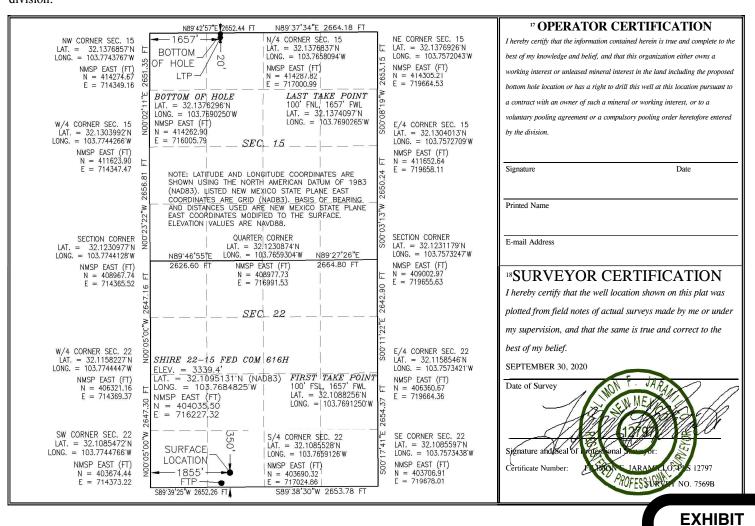
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1	API Numbe	r		² Pool Code		⁵ Pool Name				
⁴ Property	Code	⁵ Property Name						6 1	Well Number	
		SHIRE 22-15 FED COM							616H	
⁷ OGRID	No.	⁸ Operator Name ⁹ Elev						⁹ Elevation		
6137		DEVON ENERGY PRODUCTION COMPANY, L.P. 3339.4					3339.4			
					¹⁰ Surfa	ce Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line Co		County
\mathbf{N}	22	25 S	31 E		350	SOUTH	1855	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/We	st line	County
\mathbf{C}	15	25 S	31 E		20	NORTH	1657	WE	ST	EDDY

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.

15 Order No.



District I

1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 <u>District II</u>

811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u>

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

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State of New Mexico

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

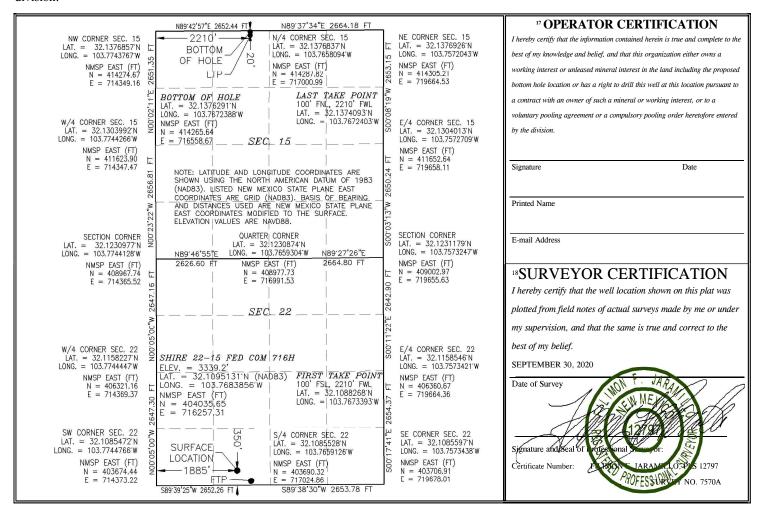
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

•	API Numbe	er Pool Code Pool Name									
⁴ Property	Code	⁵ Property Name							⁶ Well Number		
			SHIRE 22-15 FED COM						716H		
⁷ OGRID	No.		8 Operator Name							⁹ Elevation	
6137	,	DEVON ENERGY PRODUCTION COMPANY, L.P.					3339.2				
	-				¹⁰ Surfac	e Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County	
N	22	25 S	31 E		350	SOUTH	1885	WE	ST	EDDY	
	•	•	п В	ottom H	ole Location	If Different F1	om Surface				
III 1-4	C4'	T	D	T -4 T.J	E4 6 41	N 41- /C 41- 12	E4 6 41	E4/XX	1!	C	

UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County 25 S 31 E 20 **NORTH** 2210 WEST **EDDY** C 15 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.





November 9, 2020

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

RE:

Application for Nonstandard Spacing

Engineering Statement

Devon Energy Production Company, L.P.

Shire 22-15 Fed Com 616H & 716H (the "Shire Wells")

E/2W/2 of Sections 15 & 22-25S-31E

Eddy County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, L.P. respectfully requests administrative approval of a non-standard spacing ("NSP") for each of the Shire Wells referenced above. The Shire Wells are located in the Purple Sage-Wolfcamp Gas Pool (Pool Code 98220). It is Devon's responsibility as a prudent operator to minimize reserves left in the ground. Decreasing the spacing from 640 acres to 320 acre will allow for additional recovery in the E/2W/2 thereby increasing ultimate recovery of reserves and thereby preventing waste of natural resources.

Sincerely,

Paige Bowes

Reservoir Engineer

Paige Bowes



Shier 22-15 Fed Com Area

Proposed Non-Standard Spacing

E/2W/2 of Section 15 & E/2W/2 of Section 22 T25S-R32E 320 Acres

Wolfcamp Development, Well Dedication plat Purple Sage Wolfcamp (98220)

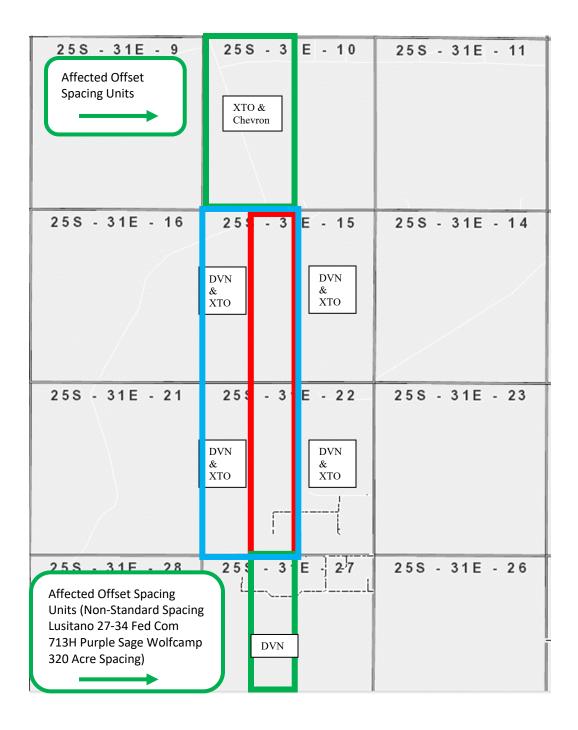
	\uparrow	$\overline{}$		
Tract 1:				
NMNM 0000503 (Fed) (160 acres)				
				Sec. 15
				Sec. 22
Tract 2: NMNM 016131 (Fed) (160 acres)				

616H Well; 716H Well



Shire 22-15 Fed Com Area

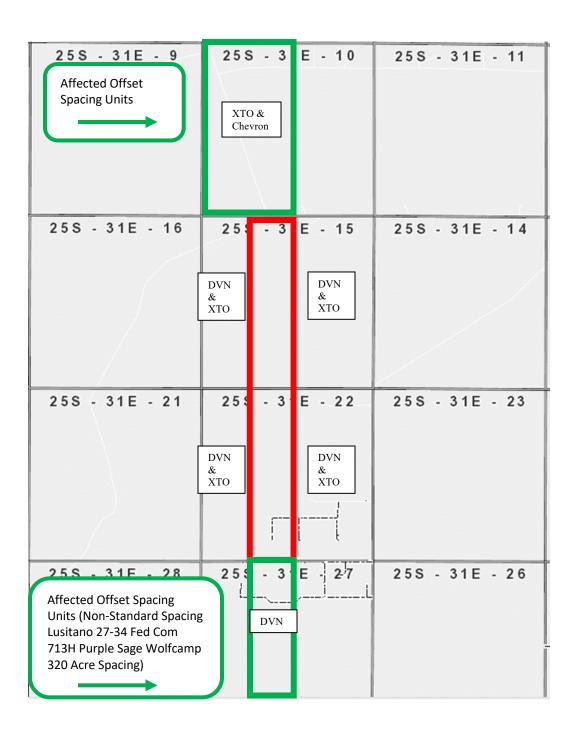
Applicable Standard Horizontal Spacing Unit



Standard Unit

Shire 22-15 Fed Com Area

Offset Notice Plat



Shire 22-15 Fed Com Area
E/2W/2 of Section 15 & E/2W/2 of Section 22 T25S-R32E 320 Acres

Purple Sage Wolfcamp (98220)

	Sec. 15
	Sec. 22
	Sec. 22
	Sec. 22

Mailing Report

Company Name	Address	Certified Mail	STR	Tract	Pool Code	Devon Energy Well
XTO Energy, Inc.	22777 Springwoods Village Parkway	70201810000040153284	All of Sections 15 & 22-25S-31E	Sec. 10: C, D, E, F, K, L, M, & N	98220	Shire 22-15 Fed Com #616H & #716H
	Spring, TX 77389		& W/2 of Section 10-25S-31E	Sec. 15 & 22: A, B, C, D, E, F, G, H,		
				I, J, K, L, M, N, O, & P		
Chevron USA Inc.	1400 Smith Street	70201810000040153277	W/2 Section 10-25S-31E	C, D, E, F, K, L, M, & N	98220	Shire 22-15 Fed Com #616H & #716H
	Houston, TX 77002					
Bureau of Land Management	620 E. Greene St	70201810000040153260	26-23S-29E	Sec. 15 & Sec. 22: C, F, K, &N	98220	Shire 22-15 Fed Com #616H & #716H
	Carlsbad, NM 88220					



ABADIE I SCHILL PC



Colorado New Mexico
Louisiana Texas
Kansas Utah
Nebraska Wyoming
Montana California
Oklahoma North Dakota

November 10, 2020

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

NOTICE TO AFFECTED PERSONS/PARTIES RE: APPLICATIONS FOR ADMINISTRATIVE APPROVAL OF NONSTANDARD SPACING AND PRORATION UNIT

1) Re: Application of Devon Energy Production Company, L.P., for administrative approval of nonstandard spacing and proration (NSP) unit for its Shire 22-15 Fed Com 616H Well and 716H Well covering and located in the E/2 W/2 of Sections 15 and 22, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.

To the Parties/Persons this may concern:

Enclosed in this notice are copies of the above referenced applications filed with the New Mexico Conservation Division on the date referenced above. You are being notified in your capacity as a person or party in an adjoining section or unit, pursuant to our request for approval of a nonstandard spacing unit for the above-referenced wells. Any objections that you have to one or more of these applications must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the applications filed for administrative approval by the Division. Email correspondence for this matter can be sent to the Division at OCD.Engineer@state.nm.us.

If you have any questions concerning this application, please contact:

Verl Brown
Supervising Landman
Devon Energy Production Company, L.P.
(405) 228-8804
Verl.Brown@dvn.com

abadieschill.com

If you have no objections to these applications, please sign the waiver as indicated below and return the original to the address listed on this letterhead. Your assistance and cooperation in this matter are appreciated.

Sincerely,

Darin C. Savage

Attorney for Devon Energy Production Company, L.P.

Waiver

	hereby waives objection to the above reference
Application for a Nonsta	ndard Spacing and Proration Unit for the Shire 22-15 Fed Com 616H
1 1	vering and located in the E/2 W/2 of Sections 15 and 22, Township 2
South, Range 31 East, NI	MPM, Eddy County, New Mexico.
•	
Dated:	Signature:

Lowe, Leonard, EMNRD

From:

From: Sent: To: Cc: Subject: Attachments:	Darin Savage <darin@abadieschill.com> Tuesday, November 10, 2020 4:56 PM Engineer, OCD, EMNRD Lowe, Leonard, EMNRD [EXT] Devon's NSP application Shire Wells Application NSP 616H 716H Wells.pdf</darin@abadieschill.com>
Good evening,	
Please find attached	Devon's NSP application for the Shire 22-15 Fed Com 616H and 716H Wells.
Notice Letters along	with copies of the application were mailed earlier today.
Thank you for your	consideration in this matter,
Darin	
x	
DARIN SAVAGE	
Abadie Schill P.C.	
214 McKenzie Street, S	anta Fe, New Mexico 87501

P | 970.385.4401 :: *F* | 970.385.4901 :: *C* | 970.764.8191

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