Approved

NSL

Order

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Cabinet Secretary Adrienne E. Sandoval, Director Oil Conservation Division



December 15, 2020

Ms. Kaitlyn A. Luck kaluck@hollandhart.com

NON-STANDARD LOCATION

Administrative Order NSL-8096

Devon Energy Production, L.P. [OGRID 6137] Right Meow 31 30 Federal Com Well No. 232H API No. 30-025-47212

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County_
Surface	165 FSL & 2255 FWL	Ν	31	23S	32E	Lea
First Take Point	100 FSL & 2410 FWL	Ν	31	23S	32E	Lea
Last Take Point	100 FNL & 2410 FWL	С	30	23S	32E	Lea
Terminus	20 FNL & 2410 FWL	С	30	23S	32E	Lea

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
W/2 of Section 31	691.60	Sand Dunes; Bone Spring, South	53805
W/2 of Section 30			

Reference is made to your application received on November 3, 2020.

This application was initially protested on November 6, 2020. All protests were resolved on December 15, 2020.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal oil well's completed interval penetrates, each of which consists of a governmental quarter-quarter section or equivalent.

This well's completed interval is as close as 10 - 20 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

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Section 30, encroachment to the W/2 SE/4 and SW/4 NE/4 $\,$

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location due to an existing vertical well resulting the need to steer the subject wellbore for anti-collision considerations and avoidance to achieve satisfactory separation factors in order to maximize recovery and to prevent waste within the Bone Spring formation underlying the W/2 of Section 31 and the W/2 of Section 30.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, **Division approves this unorthodox location**.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.



AES/lrl

cc: Oil Conservation Division – Hobbs District Office Bureau of Land Management – Carlsbad Field Office

From:	Lowe, Leonard, EMNRD
To:	Kaitlyn A. Luck
Cc:	Bratcher, Mike, EMNRD; Kautz, Paul, EMNRD; "lisa@rwbyram.com"; Simmons, Kurt, EMNRD; McClure, Dean, EMNRD; Simmons, Kurt, EMNRD; Garcia, John A, EMNRD; Powell, Brandon, EMNRD; jglover@blm.gov
Subject:	APPROVED NSL - 8096_Devon Energy Prod. CoRight Meow 31 30 Fed Com Well No. 232H_SEC 31 23S 32E
Date:	Thursday, December 17, 2020 10:54:00 AM
Attachments:	NSL-8096 Devon ORDER.pdf
Importance:	High

Ms. Kaitlyn A. Luck,

The following NSL Administrative Orders have been issued and will soon be available on the Division's web site:

http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx

NSL	AMD	Applicant	OGRID	WELL NAME	API #
8096	-	Devon Energy Production, L.P.	6137	Right Meow 31 30 Federal Com Well No. 232H	30-025-47212

A copy of the approved order is attached.

Leonard R. Lowe Engineering Bureau OCD - EMNRD 5200 Oakland Ave Albuquerque, N.M. 87113 C: 505-930-6717

http://www.emnrd.state.nm.us/ocd/