

NSL

Initial

Application

RECEIVED: 03/16/21	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2107632258
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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: <u>Devon Energy Production Company, L.P.</u>	OGRID Number: <u>6137</u>
Well Name: <u>Lone Tree Draw 14-13 State Com 621H Well</u>	API: <u>30-015-46403</u>
Pool: <u>Alacran Hills; Wolfcamp (Gas) Pool</u>	Pool Code: <u>70070</u>

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.

Darin Savage

Print or Type Name

/s/ Darin Savage

Signature

March 3, 2021

Date

970-385-4401

Phone Number

darin@abadieschill.com

e-mail Address



For the Pursuit of Energy

ABADIE | SCHILL PC

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

March 15, 2021

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 unorthodox well location for its Lone Tree Draw 14-13 State Com 621H Well located in Sections 14 and 13, Township 21 South, Range 27 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 unorthodox well location (“NSL”) for the Lone Tree 14-13 State Com 621H Well (the “621H Well”) (API 30-015-46403) to be completed within the Alacran Hills; Wolfcamp (Gas) Pool (Pool Code 70070) underlying Sections 14 and 13, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico. A C-102 for the Well is attached as Exhibit A. This is a horizontal well that will be drilled as follows:

- Surface Location (SL): 1685’ from the North line and 280’ from the West line of Section 14, Township 21 South, Range 27 East;
- Bottom Hole Location (BHL): 900’ from the North line and 20’ from the East line of Section 13, Township 21 South, Range 27 East;
- First Take Point (FTP): 900’ from the North line and 100’ from the West line of Section 14, Township 21 South, Range 27 East;
- Last Take Point (LTP): 900’ from the North line and 100’ from the East line of Section 13, Township 21 South, Range 27 East.

Devon has included as Exhibit B a letter explaining why this application is needed. This well will produce from the Alacran Hills; Wolfcamp (Gas) Pool (Pool Code 70070). Kate Pickford,

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

Division geologist, has informed Devon that this pool has a 330' foot setback requirement. The completed interval for the proposed well is closer than 330' from the boundary of the spacing unit.

The unorthodox location will encroach towards the (1) NE/4 of Section 15, Township 21 South, Range 27 East; and (2) the NW/4 of Section 18, Township 21 South, Range 28 East.

Devon attests that, on or before submission of this application, it provided notice to the affected persons (1) in the adjoining NE/4 of Section 15, Township 21 South, Range 27 East, as well as in the SE/4 of said Section because it adjoins the proposed unit of the 621H well which encompasses all of Sections 14 and 13, Township 21 South, Range 27 East; and (2) in the adjoining spacing unit covering the NW/4 of Section 18, Township 21 South, Range 28 East, as well as the SW/4 of Section 18 because it also adjoins the proposed unit of the 621H well; said notice as described satisfies all provisions of NMAC 19.15.4.12A(2); copies of the application and required plat maps were furnished. Devon also provided notice to the Bureau of Land Management and the NMSLO to the extent that they own interest with respect to offsetting areas. Devon provides herein a sectional map of this area, 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. The development plan for this well is pursuant to a pooling application in Case No. 21678.

Your consideration in this matter is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read 'Darin C. Savage', written over a horizontal line.

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
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 LONE TREE DRAW 14-13 STATE COM	⁶ Well Number 621H
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁹ Elevation 3255.6

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
E	14	21 S	27 E		1685	NORTH	280	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
A	13	21 S	27 E		900	NORTH	20	EAST	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>FEBRUARY 24, 2021</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: LONE TREE DRAW 14-13 STATE COM	Well Number 621H

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	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
D	14	21S	27E		900	NORTH	100	WEST	EDDY
Latitude 32.4850191					Longitude 104.1687751				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
A	13	21S	27E		900	NORTH	100	EAST	EDDY
Latitude 32.4851460					Longitude 104.1347583				NAD 83

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

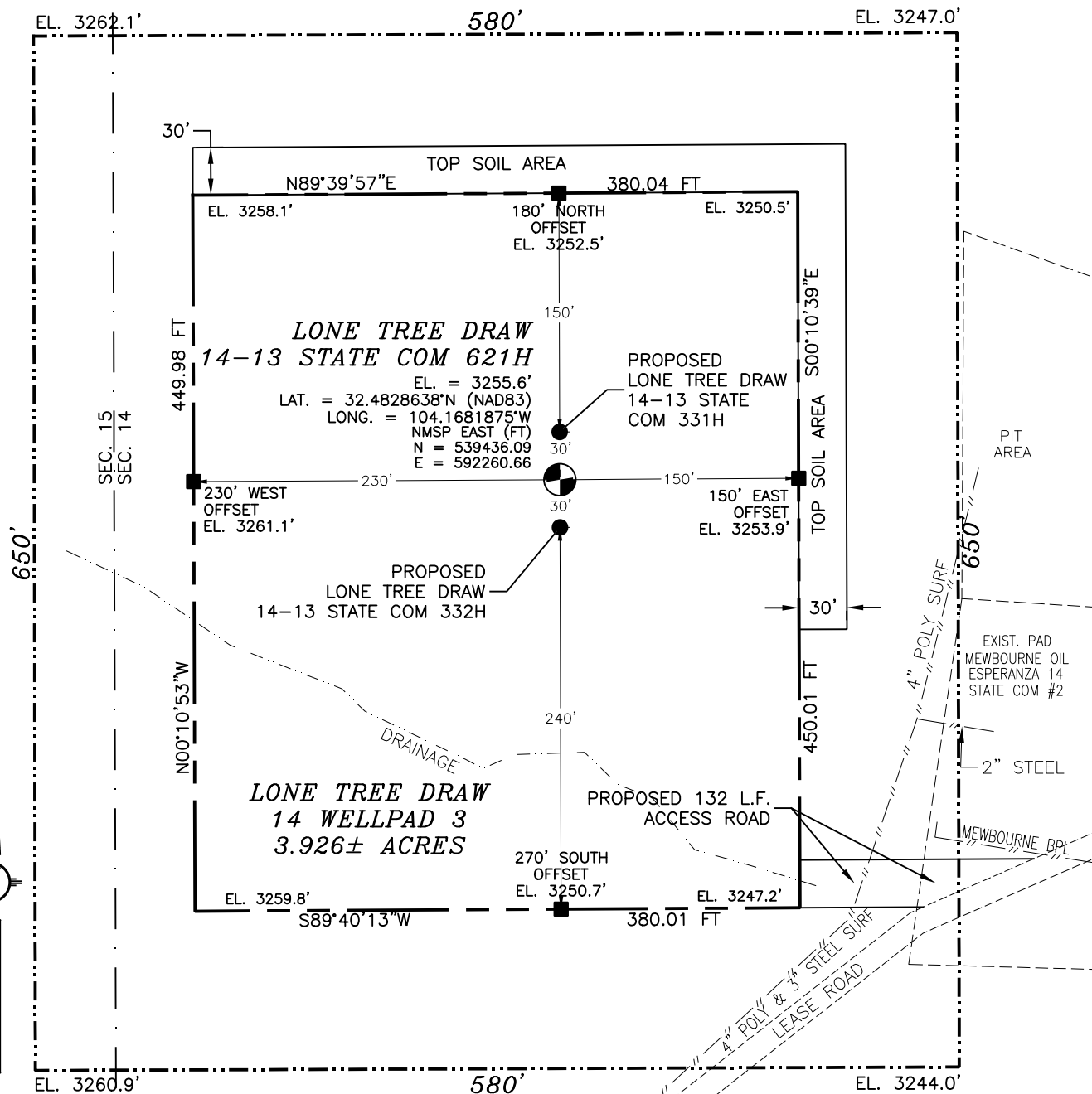
Is this well an infill well? ☐

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

SECTION 14, TOWNSHIP 21 SOUTH, RANGE 27 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
SITE MAP



010 50 100 200

SCALE 1" = 100'

DIRECTIONS TO LOCATION

FROM CR. 206 (ILLINOIS CAMP) AND CR. 600 (RAINS) GO EAST ON CR. 600 2.2 MILES, BEND LEFT AND GO NORTHEAST 0.1 MILES, TURN RIGHT AND GO SOUTHEAST 0.52 MILES, BEND LEFT AND GO EAST 0.9 MILES, TURN RIGHT AND GO SOUTH 0.5 MILES, TURN RIGHT AND GO SOUTHWEST 0.33 MILES TO ROAD SURVEY AND FOLLOW FLAGS WEST 132' TO THE SOUTHEAST PAD CORNER FOR THIS LOCATION.

I, FILIMON F. JARAMILLO, A NEW MEXICO LICENSED PROFESSIONAL SURVEYOR CERTIFY THAT I DIRECTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND I HAVE COMPLIED WITH THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.

FILIMON F. JARAMILLO, P.S.

MADRON SURVEYING, INC.

301 SOUTH CANAL
(575) 234-3341

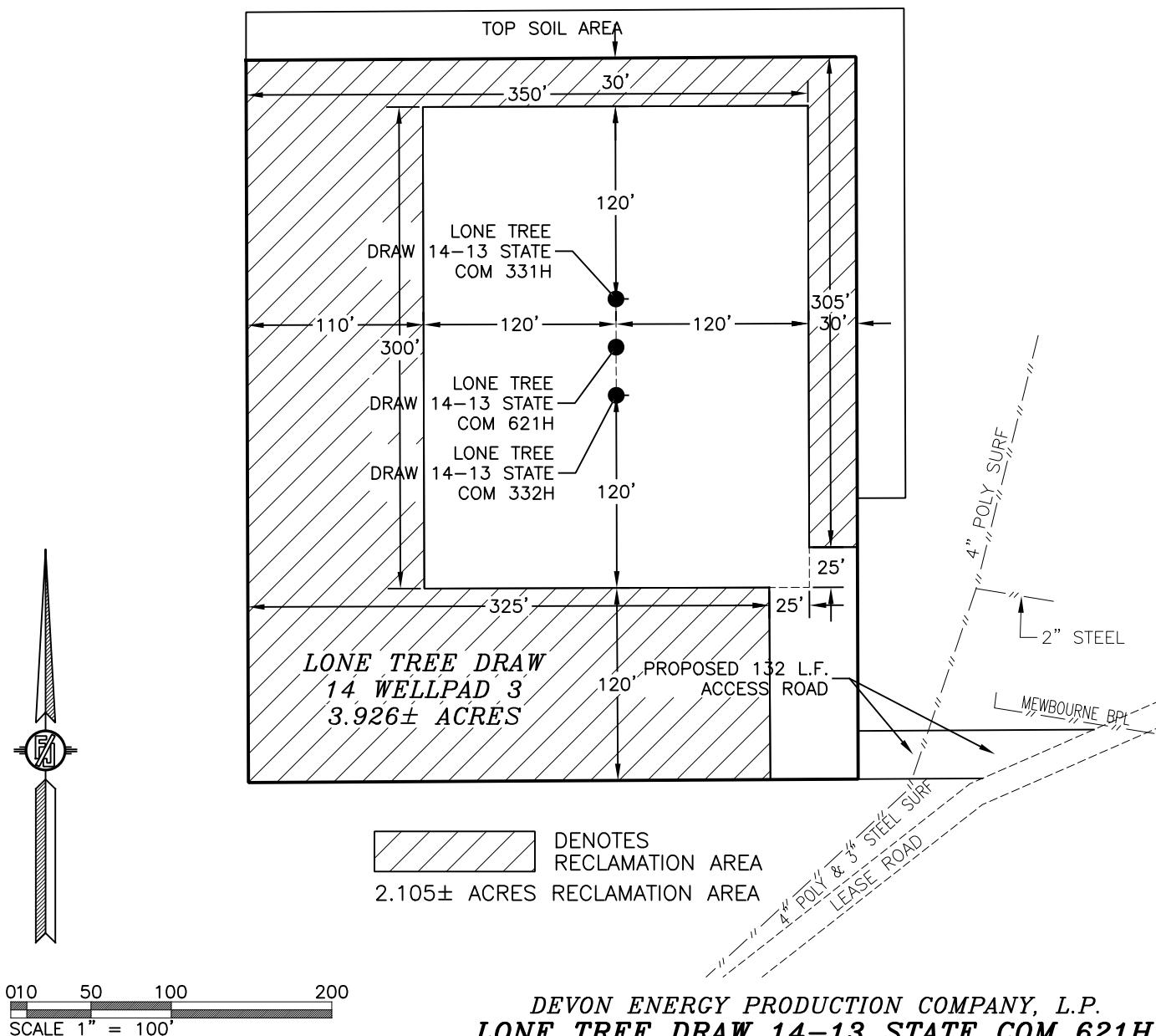
CARLSBAD, NEW MEXICO

DEVON ENERGY PRODUCTION COMPANY, L.P.
LONE TREE DRAW 14-13 STATE COM 621H
LOCATED 1685 FT. FROM THE NORTH LINE
AND 280 FT. FROM THE WEST LINE OF
SECTION 14, TOWNSHIP 21 SOUTH,
RANGE 27 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

FEBRUARY 24, 2021

SURVEY NO. 7256C

SECTION 14, TOWNSHIP 21 SOUTH, RANGE 27 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
INTERIM SITE RECLAMATION



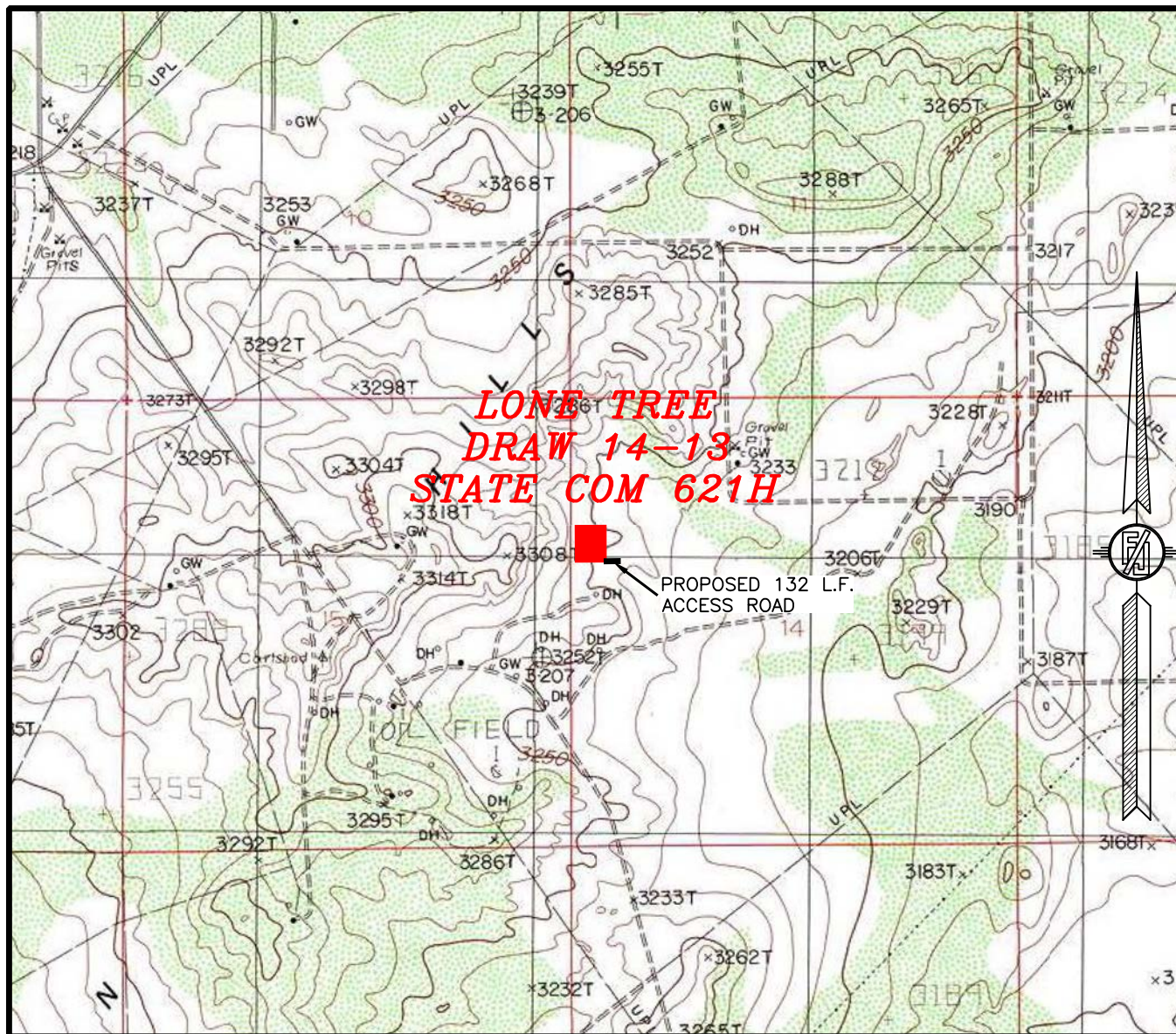
DEVON ENERGY PRODUCTION COMPANY, L.P.
LONE TREE DRAW 14-13 STATE COM 621H
LOCATED 1685 FT. FROM THE NORTH LINE
AND 280 FT. FROM THE WEST LINE OF
SECTION 14, TOWNSHIP 21 SOUTH,
RANGE 27 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

FEBRUARY 24, 2021

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

SURVEY NO. 7256C
CARLSBAD, NEW MEXICO

SECTION 14, TOWNSHIP 21 SOUTH, RANGE 27 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
LOCATION VERIFICATION MAP



**USGS QUAD MAP:
CARLSBAD EAST**

NOT TO SCALE

DEVON ENERGY PRODUCTION COMPANY, L.P.
LONE TREE DRAW 14-13 STATE COM 621H
LOCATED 1685 FT. FROM THE NORTH LINE
AND 280 FT. FROM THE WEST LINE OF
SECTION 14, TOWNSHIP 21 SOUTH,
RANGE 27 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

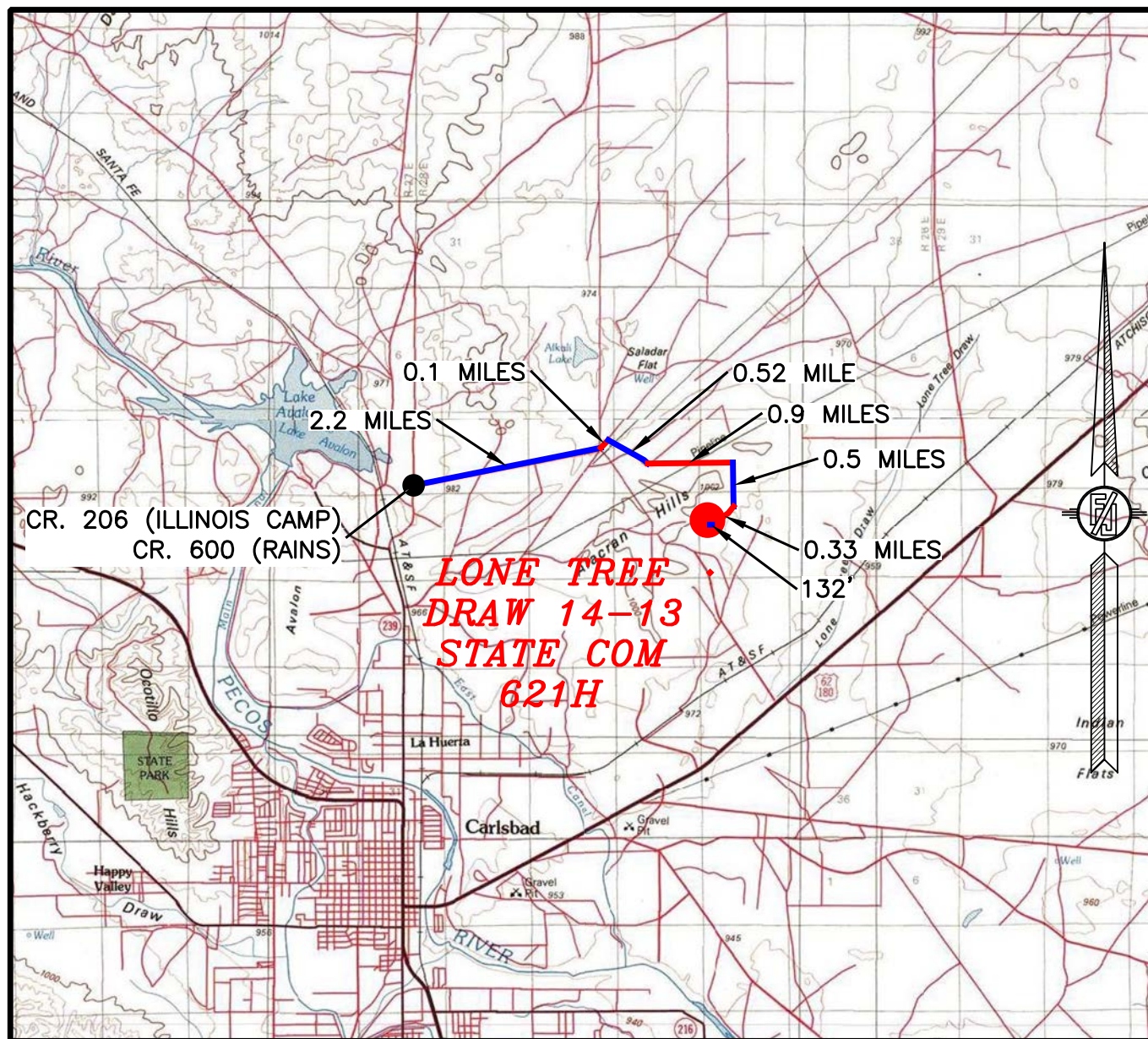
FEBRUARY 24, 2021

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

SURVEY NO. 7256C
CARLSBAD, NEW MEXICO

SURVEY NO. 7256C

SECTION 14, TOWNSHIP 21 SOUTH, RANGE 27 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
VICINITY MAP



DISTANCES IN MILES

NOT TO SCALE

DIRECTIONS TO LOCATION

FROM CR. 206 (ILLINOIS CAMP) AND CR. 600 (RAINS)
GO EAST ON CR. 600 2.2 MILES, BEND LEFT AND GO
NORTHEAST 0.1 MILES, TURN RIGHT AND GO SOUTHEAST
0.52 MILES, BEND LEFT AND GO EAST 0.9 MILES, TURN
RIGHT AND GO SOUTH 0.5 MILES, TURN RIGHT AND GO
SOUTHWEST 0.33 MILES TO ROAD SURVEY AND FOLLOW
FLAGS WEST 132' TO THE SOUTHEAST PAD CORNER
FOR THIS LOCATION.

DEVON ENERGY PRODUCTION COMPANY, L.P.
LONE TREE DRAW 14-13 STATE COM 621H
LOCATED 1685 FT. FROM THE NORTH LINE
AND 280 FT. FROM THE WEST LINE OF
SECTION 14, TOWNSHIP 21 SOUTH,
RANGE 27 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

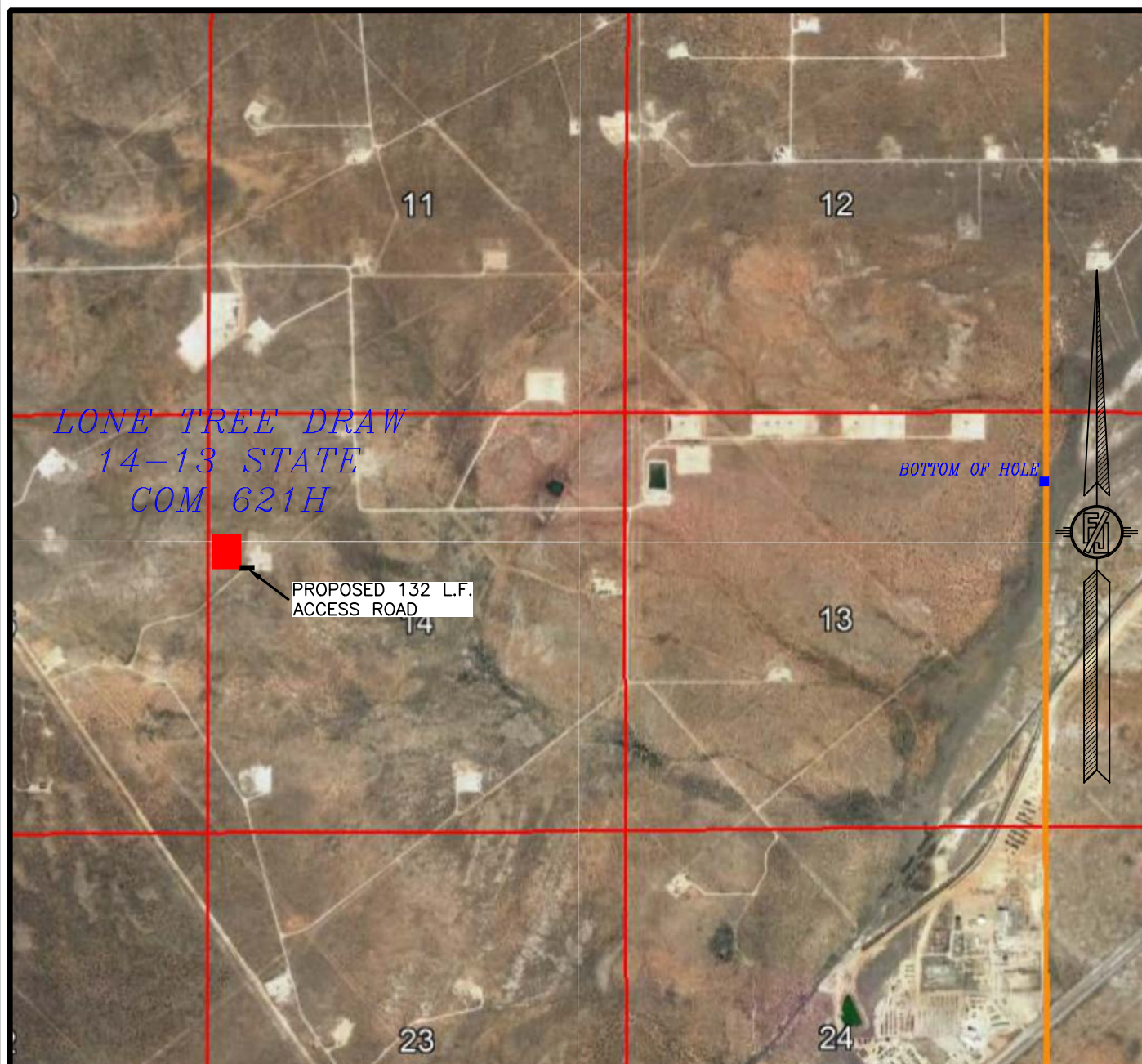
FEBRUARY 24, 2021

MADRON SURVEYING, INC.

301 SOUTH CANAL
(575) 234-3341

SURVEY NO. 7256C
CARLSBAD, NEW MEXICO

SECTION 14, TOWNSHIP 21 SOUTH, RANGE 27 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
AERIAL PHOTO



NOT TO SCALE
AERIAL PHOTO:
GOOGLE EARTH
MAR. 2016

DEVON ENERGY PRODUCTION COMPANY, L.P.
LONE TREE DRAW 14-13 STATE COM 621H
LOCATED 1685 FT. FROM THE NORTH LINE
AND 280 FT. FROM THE WEST LINE OF
SECTION 14, TOWNSHIP 21 SOUTH,
RANGE 27 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

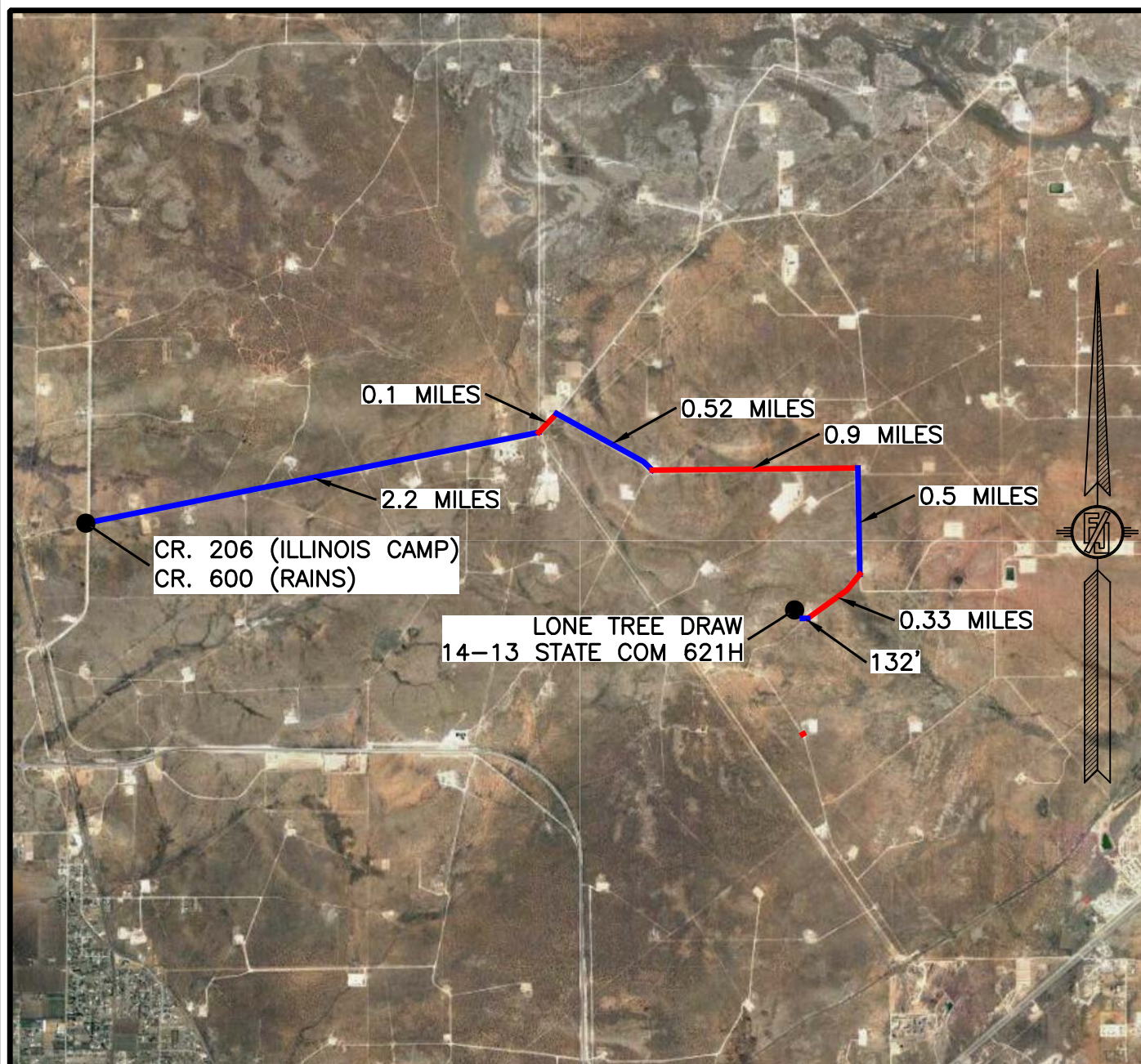
FEBRUARY 24, 2021

MADRON SURVEYING, INC.

301 SOUTH CANAL
(575) 234-3341

SURVEY NO. 7256C
CARLSBAD, NEW MEXICO

SECTION 14, TOWNSHIP 21 SOUTH, RANGE 27 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
AERIAL ACCESS ROUTE MAP



NOT TO SCALE
AERIAL PHOTO:
GOOGLE EARTH
MAR. 2016

DEVON ENERGY PRODUCTION COMPANY, L.P.
LONE TREE DRAW 14-13 STATE COM 621H
LOCATED 1685 FT. FROM THE NORTH LINE
AND 280 FT. FROM THE WEST LINE OF
SECTION 14, TOWNSHIP 21 SOUTH,
RANGE 27 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

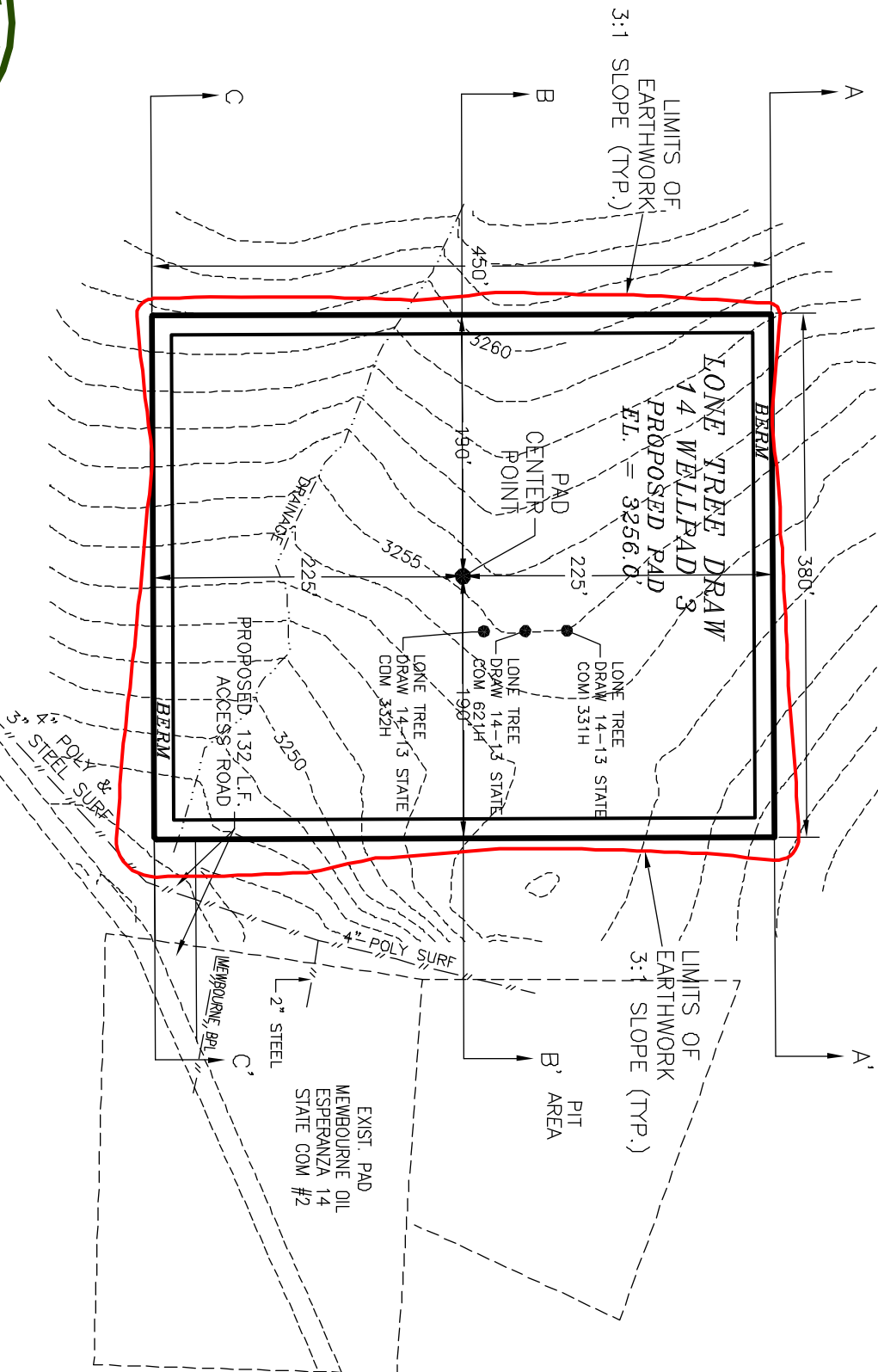
FEBRUARY 24, 2021

MADRON SURVEYING, INC.

301 SOUTH CANAL
(575) 234-3341

SURVEY NO. 7256C
CARLSBAD, NEW MEXICO

PLAN VIEW



I, FILMON F. JARAMILA, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR CERTIFICATE NO. 10281, AM RESPONSIBLE FOR THIS SURVEY, THAT THE CONVEYED INTERESTS AND DEEDS ARE CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THIS SURVEY AND PLAN MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.

DEVON ENERGY PRODUCTION COMPANY, L.P.
PAD GRADING AND CROSS SECTIONS
FOR LONE TREE DRAW 14-13 STATE COM 621H

SECTION 14, TOWNSHIP 21 SOUTH,
RANGE 27 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

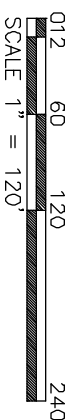
FEBRUARY 24, 2021

301 SOUTH CANAL
(979) 234-3341

CARLSBAD, NEW MEXICO

SURVEY NO. 7256C

SHEET 1-2

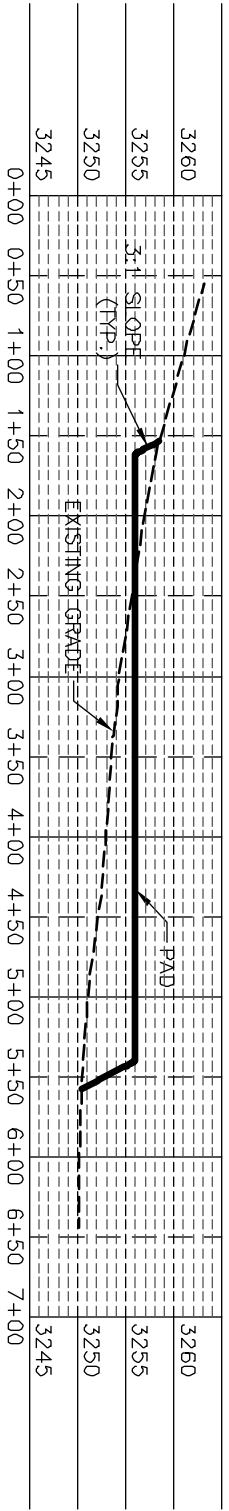


CUT	FILL	NET
4268 CU. YD	14843 CU. YD	10575 CU. YD (FILL)

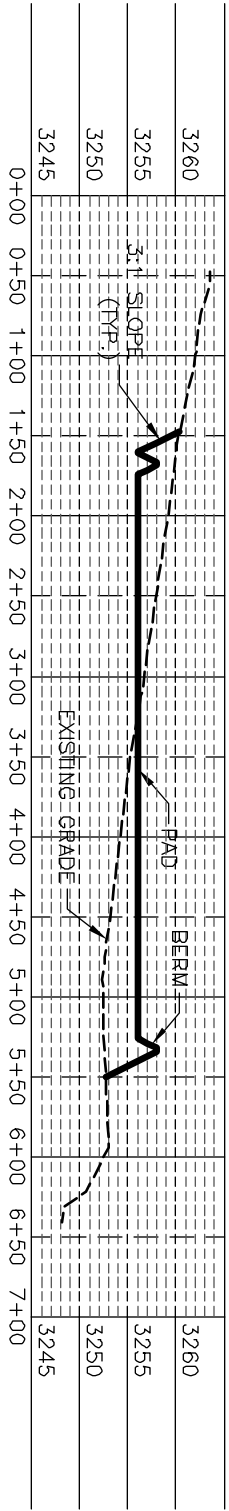
EARTHWORK QUANTITIES ARE ESTIMATED

CROSS-SECTIONS

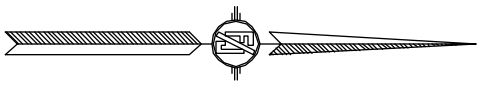
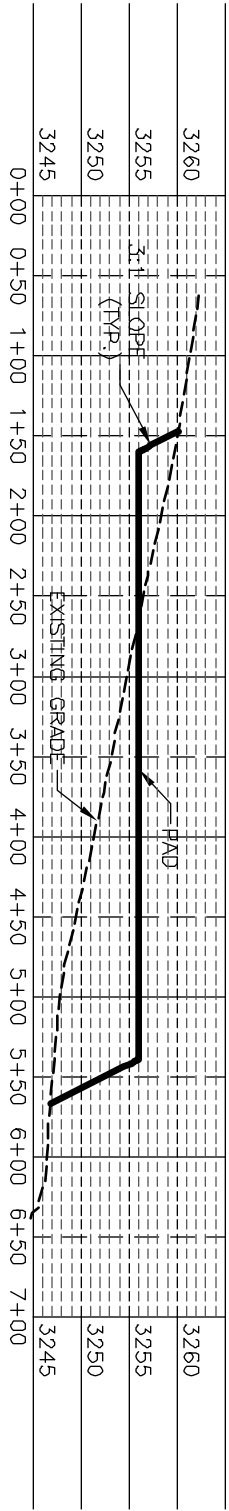
SECTION A-A'



SECTION B-B'



SECTION C-C'



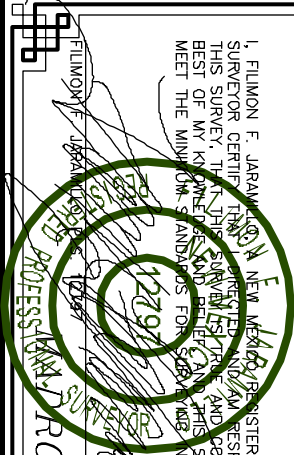
I, FILMON F. JARAMILLO, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR CERTIFICATE NO. 10284, AM RESPONSIBLE FOR THIS SURVEY. THE SURVEY IS MADE IN ACCORDANCE WITH THE BEST OF MY KNOWLEDGE AND BELIEFS AND THIS SURVEY AND PLAN MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.

DEVON ENERGY PRODUCTION COMPANY, L.P.
PAD GRADING AND CROSS SECTIONS
FOR LONE TREE DRAW 14-13 STATE COM 621H

SECTION 14, TOWNSHIP 21 SOUTH,
RANGE 27 EAST, N.M.P.M.,
EDDY COUNTY, STATE OF NEW MEXICO

012 60 120 240		
SCALE 1" = 120' - 1" = 20' VER		
CUT	FILL	NET
4268 CU. YD	14843 CU. YD	10575 CU. YD (FILL)

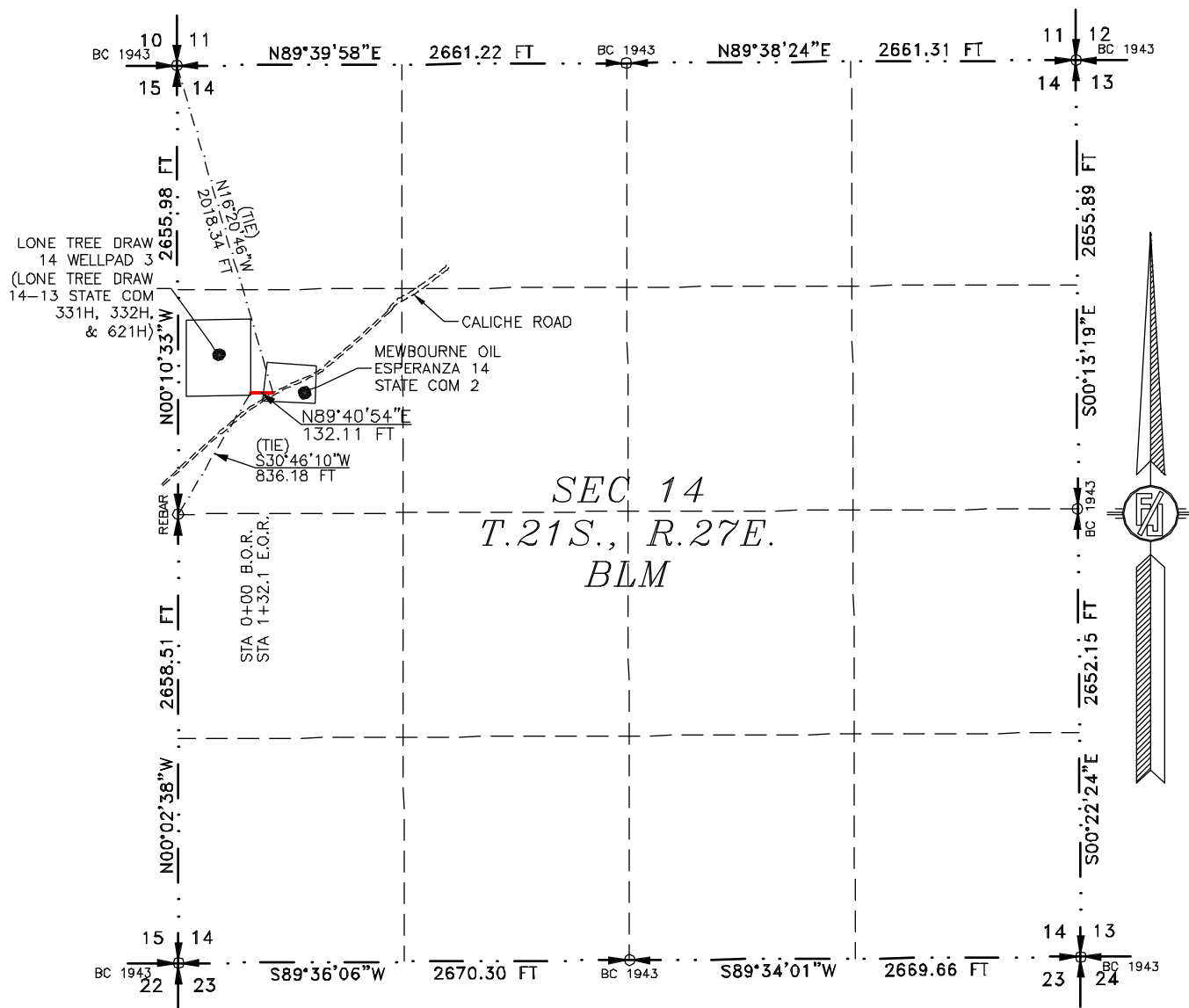
EARTHWORK QUANTITIES ARE ESTIMATED



ACCESS ROAD PLAT (AA000221610)

ACCESS ROAD FOR LONE TREE DRAW 14 WELLPAD 3
(LONE TREE DRAW 14-13 STATE COM 331H, 332H, & 621H)

DEVON ENERGY PRODUCTION COMPANY, L.P.
CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING
SECTION 14, TOWNSHIP 21 SOUTH, RANGE 27 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
FEBRUARY 24, 2021



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, THIS 24TH DAY OF FEBRUARY 2021

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

SURVEY NO. 7256C

FILMON F. JARAMILLO PLS. 12797 CARLSBAD, NEW MEXICO

ACCESS ROAD PLAT (AA000221610)

ACCESS ROAD FOR LONE TREE DRAW 14 WELLPAD 3
(LONE TREE DRAW 14-13 STATE COM 331H, 332H, & 621H)

**DEVON ENERGY PRODUCTION COMPANY, L.P.
CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING
SECTION 14, TOWNSHIP 21 SOUTH, RANGE 27 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
FEBRUARY 24, 2021**

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 14, TOWNSHIP 21 SOUTH, RANGE 27 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 NW/4 OF SAID SECTION 14, TOWNSHIP 21 SOUTH, RANGE 27 EAST, N.M.P.M., WHENCE THE WEST QUARTER CORNER OF SAID SECTION 14, TOWNSHIP 21 SOUTH, RANGE 27 EAST, N.M.P.M. BEARS S30°46'10"W, A DISTANCE OF 836.18 FEET;
THENCE N89°40'54"E A DISTANCE OF 132.11 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE NORTHWEST CORNER OF SAID SECTION 14, TOWNSHIP 21 SOUTH, RANGE 27 EAST, N.M.P.M. BEARS N16°20'46"W, A DISTANCE OF 2018.34 FEET;

SAID STRIP OF LAND BEING 132.11 FEET OR 8.01 RODS IN LENGTH, CONTAINING 0.091 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

SW/4 NW/4 132.11 L.F. 8.01 RODS 0.091 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, THIS 24TH DAY OF FEBRUARY 2021

FILIMON F. JARAMILLO, PLS. 12797
MADRON SURVEYING, INC.
301 SOUTH CANAL
CARLSBAD, NEW MEXICO 88220
Phone (575) 234-3341

SURVEY NO. 7256C

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 SOUTH CANAL, CARLSBAD, NEW MEXICO
(575) 234-3341



Devon Energy Production Company, L.P.
333 West Sheridan Avenue
Oklahoma City, OK 73102-5015

February 24, 2021

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.
Lone Tree Draw State Com 623H & 621H (the "Wells")
All of Sections 14 & 23-21S-27E
Eddy County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, L.P. respectfully requests administrative approval of a non-standard location ("NSL") for each of the Wells referenced above by decreasing the first and last take points from 330 feet to 100 feet from the horizontal plane outer boundary. The Wells are located in the Alacran Hills; Wolfcamp Gas Pool (Pool Code 70070). It is Devon's responsibility as a prudent operator to maximize lateral length and to minimize reserves left in the ground. Decreasing the first and last take points will increase the Wells effective lateral length by 460 feet, thereby increasing the ultimate recovery of reserves and preventing waste of natural resources.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Sprague". The signature is fluid and cursive, with a large initial "K" and a long, sweeping underline.

Karsan Sprague
Reservoir Engineer

EXHIBIT
B

Devon Energy Production Company, L.P.
Unorthodox Location Notice Plat
Exhibit "C"

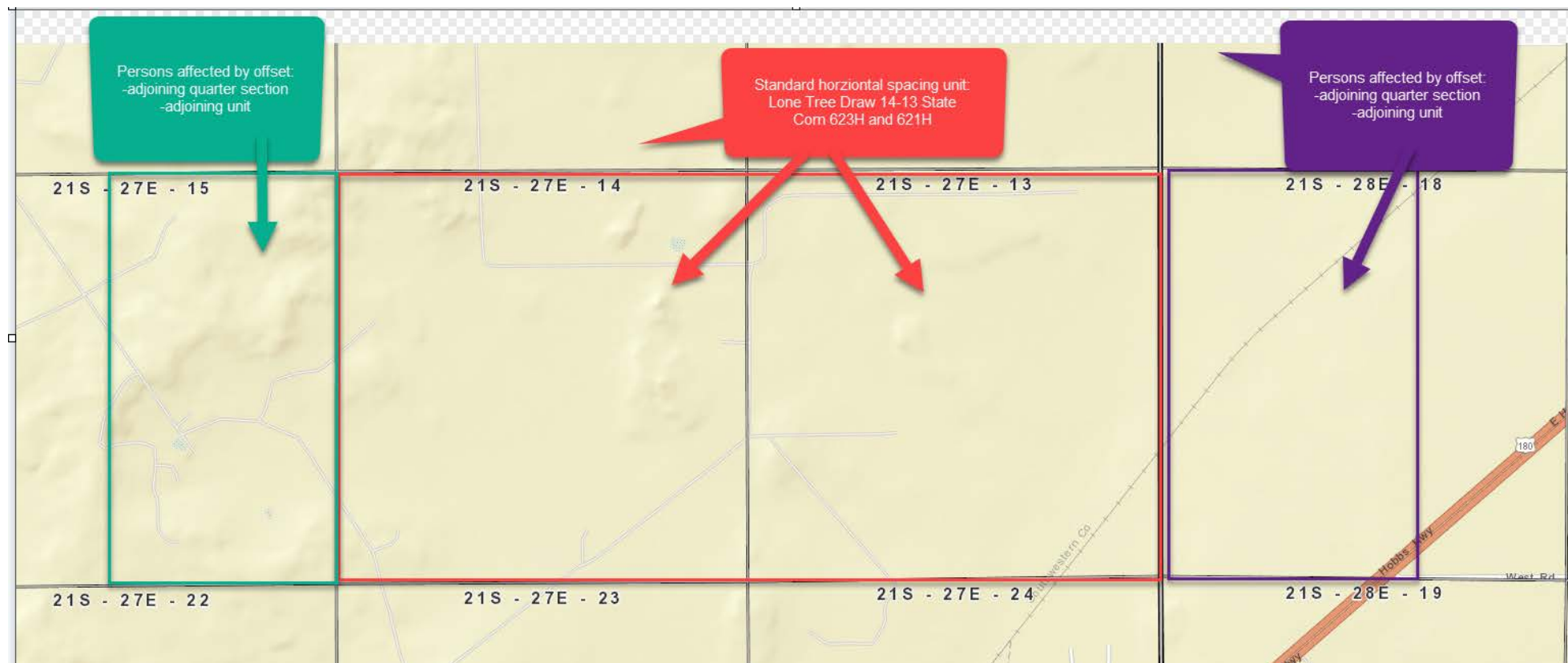


EXHIBIT
C

Well	Name	Address	USPS Article Number	Date Mailed	Status	Service
621H and 623H	New Mexico State Land Office	310 Old Santa Fe Trail Santa Fe, NM 87501	70200090000034200007	3/15/21		Certified Mail
621H and 623H	XTO Energy, Inc. Attn: Blair C. Brummell	22777 Springwoods Village Pkwy Spring, TX 77389	70200090000034200021	3/15/21		Certified Mail
621H and 623H	COG Operating Inc. (aka ConocoPhillips)	600 W. Illinois Ave. Midland, TX 79701	70200090000034200038	3/15/21		Certified Mail
621H and 623H	Bureau of Land Management	620 E. Greene St. Carlsbad, NM 88220	70200090000034200045	3/15/21		Certified Mail

EXHIBIT
D



For the Pursuit *of* Energy

ABADIE | SCHILL PC

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

March 15, 2021

**VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

**NOTICE TO AFFECTED PERSONS/PARTIES
RE: APPLICATIONS FOR ADMINISTRATIVE
APPROVAL OF UNORTHODOX WELL LOCATIONS**

- 1) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Lone Tree Draw 14-13 State Com 621H Well located in Sections 14 and 13, Township 21 South, Range 27 East NMPM, Eddy County, New Mexico.**
- 2) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Lone Tree Draw 14-13 State Com 623H Well located in Sections 14 and 13, Township 21 South, Range 27 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 an unorthodox location of 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.

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

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

Andy D. Bennett
Supervising Landman
Devon Energy Production Company, L.P.
(405) 552-8002
Andy.Bennett@devon.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,

A handwritten signature in black ink, appearing to read 'Darin C. Savage', written over a horizontal line.

Darin C. Savage

Attorney for Devon Energy
Production Company, L.P.

Waiver

_____ hereby waives objection to the above referenced Application for an Unorthodox Location for the Lone Tree Draw 14-13 State Com 621H Well located in Sections 14 and 13, Township 21 South, Range 27 East NMPM, Eddy County, New Mexico.

Dated: _____

Signature: _____

_____ hereby waives objection to the above referenced Application for an Unorthodox Location for the Lone Tree Draw 14-13 State Com 623H Well located in Sections 14 and 13, Township 21 South, Range 27 East NMPM, Eddy County, New Mexico.

Dated: _____

Signature: _____

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY CASE NO. 21678
DEVON ENERGY PRODUCTION COMPANY, L.P. ORDER NO. R-21623**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on March 4, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Devon Energy Production Company, L.P. (“Operator”), submitted an application (“Application”) to compulsorily pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.

9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").

23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.

28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION




ADRIENNE SANDOVAL
DIRECTOR
AES/kms

Date: 3/15/2021

Exhibit "A"

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 21678	APPLICANT'S RESPONSE
Date	March 1, 2021
Applicant	Devon Energy Production Company, L.P.
Designated Operator & OGRID (affiliation if applicable)	6137
Applicant's Counsel:	Darin C. Savage - Abadie & Schill, PC
Case Title:	Application of Devon Energy Production Company, L.P., for a Horizontal Spacing Unit and Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family	Lone Tree Draw
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Gas
Pooling this vertical extent:	Exhibit B-2
Pool Name and Pool Code:	Alacran Hills; Wolfcamp (Gas) Pool [Code 70070]
Well Location Setback Rules:	NMAC statewide rules apply
Spacing Unit Size:	160-acre tracts, 1280 ac unit
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	1280 acres
Building Blocks:	160-acre tracts
Orientation:	east - west
Description: TRS/County	Sections 14 and 13, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes; proximity tracts utilized to create a 1280 acre spacing unit
Proximity Defining Well: if yes, description	Yes; Lone Tree Draw 14-13 State Com 623H Well
Applicant's Ownership in Each Tract	See Landman Exhibit A-2
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	Lone Tree Draw 14-13 State Com 621H Well (API-pending), SHL: Unit E, 1685' FNL, 280' FWL, Section 14, T21S-R27E, NMPM; BHL: Unit A, 900' FNL, 20' FEL, Section 13, T21S-R27E, NMPM, laydown, non-standard location

Well #2	Lone Tree Draw 14-13 State Com 623H Well (API-pending) SHL: Unit L, 1960' FSL, 280' FWL, Section 14, T21S-R27E, NMPM; BHL: Unit I, 2309' FSL, 20' FEL, Section 13, T21S-R27E, NMPM, laydown, non-standard location
Horizontal Well First and Last Take Points	Lone Tree Draw 14-13 State Com 621H Well: FTP 900' FNL, 100' FWL, Sec. 14; LTP 900' FNL, 100' FEL, Sec. 13. Lone Tree Draw 14-13 State Com 623H Well: FTP 2338' FSL, 100' FWL, Sec. 14; LTP 2309' FSL, 100' FEL, Sec. 13.
Completion Target (Formation, TVD and MD)	Lone Tree Draw 14-13 State Com 621H Well: TVD approx 9,060', TMD approx 19,060'; Wolfcamp formation See Exhibts B-2 Lone Tree Draw 14-13 State Com 623H Well: TVD approx 9,065', TMD approx 19,060'; Wolfcamp formation See Exhibts B-2
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000, Exhibit A
Production Supervision/Month \$	\$800, Exhibit A
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%, Exhibit A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit C, C-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-2
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-3
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2
Tract List (including lease numbers and owners)	Exhibit A-2
Pooled Parties (including ownership type)	Exhibit A-2
Unlocatable Parties to be Pooled	Exhibit A
Ownership Depth Severance (including percentage above & below)	Exhibit A-2, N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-2
Chronology of Contact with Non-Joined Working Interests	Exhibit A-4
Overhead Rates In Proposal Letter	Exhibit A-3
Cost Estimate to Drill and Complete	Exhibit A-3
Cost Estimate to Equip Well	Exhibit A-3
Cost Estimate for Production Facilities	Exhibit A-3
Geology	

Summary (including special considerations)	Exhibit B - Geologist's Affidavit
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-4
Well Orientation (with rationale)	Exhibit B - Geologist's Affidavit, B-1
Target Formation	Exhibit B - Geologist's Affidavit, B-2
HSU Cross Section	Exhibit B-2, B-4, B-5
Depth Severance Discussion	Exhibit B - Geologist's Affidavit
Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-1, A-2, B-1
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-2
General Location Map (including basin)	Exhibit A-2
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-1
Cross Section Location Map (including wells)	Exhibit B-2, B-5
Cross Section (including Landing Zone)	Exhibit B-2, B-4, B-5
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Darin C. Savage
Signed Name (Attorney or Party Representative):	
Date:	2-Mar-21