NSL

Initial

Application

1.D. INO. 222/0	I.D.	No.	22270
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I.D. No. 22270				Revised March 23, 2017
RECEIVED: 03/29/21	REVIEWER: LRL	TYPE: NSL ABOVE THIS TABLE FOR OCD DIVISION USE		L2109068190
1		DIL CONSERVATION & Engineering Bure	N DIVISION eau –	R CONSIGNATION ON THE
	ADMINISTRATIV TIS MANDATORY FOR ALL ADA REGULATIONS WHICH REQUIRE		OR EXCEPTIONS TO D	ivision rules and
Applicant: <u>Devon Ener</u> Well Name: <u>Cotton Dro</u> Pool: <u>Purple Sage; Wol</u>	w Unit 603H Well	npany, L.P.	API: <u>30-</u>	Number: <u>6137 015-Pending</u> de: <u>98220</u>
SUBMIT ACCURATE AN		NATION REQUIRED T	O PROCESS THE	TYPE OF APPLICATION
 TYPE OF APPLICATIO A. Location – Span MSL 	N: Check those whic cing Unit – Simultane NSP _{(PROJECT}	ous Dedication		
	ng – Storage – Measu	□PC □OLS	□OLM d Oil Recovery □PPR	
B. Royalty, ove C. Application D. Notification E. Surface owr	tors or lease holders rriding royalty owner requires published n and/or concurrent c and/or concurrent c her above, proof of not	rs, revenue owners otice approval by SLO approval by BLM	tion is attached	FOR OCD ONLY Notice Complete
3) CERTIFICATION: I her administrative appro- understand that no		complete to the be	est of my knowl	edge. I also

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Darin Savage

Print or Type Name

/s/ Darin Savage

notifications are submitted to the Division.

March 29, 2021 Date

970-385-4401

Phone Number darin@abadieschill.com

Signature

e-mail Address



ABADIE I SCHILL PC



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

March 29, 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 Cotton Draw Unit 603H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 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 unorthodox well location ("NSL") for the Cotton Draw Unit 603H Well (the "603H Well") (API 30-015-Pending) to be completed within the Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220) underlying the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 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): 385' from the North line and 1195' from the West line
- of Section 26, Township 24 South, Range 31 East;
- Bottom Hole Location (BHL): 2620' from the North line and 990' from the West line of Section 35, Township 24 South, Range 31 East;
- First Take Point (FTP): 100' from the North line and 990' from the West line of Section 26, Township 24 South, Range 31 East;
- Last Take Point (LTP): 2520' from the North line and 990' from the West line of Section 35, Township 24 South, Range 31 East.

a b a d i e s c h i l l . c o m 214 McKenzie Street, Santa Fe, New Mexico, 87501 O: 970.385.4401 • F: 970.385.4901 Devon has included as Exhibit B a letter explaining why this application is needed. This well 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 330' foot setback requirements. 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) W/2 of Section 23, Township 24 South, Range 31 East; and (2) and the SW/4 of Section 35, Township 24 South, Range 31 East, as well as the W/2 of Section 2, Township 25 South, Range 31 East.

Devon attests that, on or before submission of this application, it provided notice to the affected persons (1) in the adjoining W/2 of Section 23, Township 24 South, Range 31 East, which includes spacing units that encompass the SW/4 of Section 23; and (2) SW/4 of Section 35, Township 24 South, Range 31 East (that being the adjacent quarter section), and the W/2 of Section 2, Township 25 South, Range 31 East, which includes adjacent spacing units in Sections 35 and 2; 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 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 Joint Operating Agreement; therefore, there is no associated pooling case number.

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 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 /30-015-47301	API Numbe	r		² Pool Code 98220		³ Pool Name PURPLE SAGE; WOLFCAMP (GAS)					
⁴ Property (Code		I		⁵ Property Name				⁶ Well Number		
300635			COTTON DRAW UNIT 60						603H		
⁷ OGRID I	No.				⁸ Operator	Name	⁹ Elevation				
6137		DEVON ENERGY PRODUCTION COMPANY, L.P. 3535.8						3535.8			
¹⁰ Surface Location											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West li	ine County		
D	26	24 S	31 E		385	NORTH	1195	WEST	EDDY		
		•	пB	ottom Ho	ole Location	If Different Fr	om Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West li	ine County		
Ε	35	24 S	31 E		2620	NORTH	990	WEST	EDDY		
¹² Dedicated Acre	s ¹³ Joint	or Infill	Consolidation	n Code			¹⁵ Order No.		I		
480											

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.

	the second s		1
	N89'40'18"E 2642.53 FT N89'40'12"E 2643.1	19 FT NE CORNER SEC. 26	¹⁷ OPERATOR CERTIFICATION
NW CORNER SEC. 26 LAT. = 32.1955957'N		LAT. = 32.1956002'N	I hereby certify that the information contained herein is true and complete to the
LONG. = 103.7571294'W	LONG. = 103.7485887'W	는 LONG. = 103.7400460'W 더 NMSP EAST (FT)	best of my knowledge and belief, and that this organization either owns a working
NMSP EAST (FT) 22 N = 435369.65 52 E = 719574.94 52	N = 436384.79	♀ N = 435400.01	interest or unleased mineral interest in the land including the proposed bottom
E = 719574.94 🛠	E = 722216.85	E = 724859.42	hole location or has a right to drill this well at this location pursuant to a contract
M. 22	COTTON DRAW UNIT 603H ELEV. = 3535.8'	53 ^E E	with an owner of such a mineral or working interest, or to a voluntary pooling
721'	LEV. = 3533.8 LAT. = 32.1945388'N (NAD83)	0.19	agreement or a compulsor poling order heretofore entered by the division.
W/4 CORNER SEC. 26 2 LAT. = 32,1883253'N	LONG. = 103,7532659 W NMSP EAST (FT) FIRST TAKE	E/4 CORNER SEC. 26	Nonwy Hones 1 15 2021
LONG. = 103.7571206 W	N = 434991.58 100' FNL, 99	90' FWL LONG. = 103.7400437'W	1-15-2021
NMSP EAST (FT) N = 432724.75	E = 720772.11 LAT. ± 32.19 LONG. = 103.75	39294'W N = 432760.11	Signature Date
E = 719591.82		AST (FT) E = 724874.69	JENNY HARMS
639.3		20565.35	Printed Name
5			
SW CORNER SEC. 26 ₽ LAT. = 32.1810717'N	S/4 CORNER SEC. 26 LAT. = 32,1810772'N	LAT. = 32.1810840'N	JENNY.HARMS@DVN.COM
LONG. = 103.7571150'W & NMSP EAST (FT)	LONG. = 103.7485766'W NMSP BAST (FT)	C LONG. = 103.7400384'W S NMSP EAST (FT)	E-mail Address
NMSP EAST (FT) 2 N = 430086.02	N = 430102.29	N = 430119.23	
E = 719607.71	E = 722249.33 \$89'38'50"W 2642.25 FT \$89'37'57"W 2642.	E = 724890.89	
	S89'38'50"W 2642.25 FT S89'37'57"W 2642.		ISURVEYOR CERTIFICATION
5 FI	LAST TAKE POINT	55 FT	I hereby certify that the well location shown on this plat was
2643.E	2520' FNL, 990' FWL LAT. = 32.1741482'N	2641.35	5 00 I
V 20	LONG. = 103.7539416 W	E 2	plotted from field notes of actual surveys made by me or under
36"V	N = 427572.62	0,02	my supervision, and that the same is true and correct to the
W/4 CORNER SEC. 35	20003.03	E/4 CORNER SEC. 35	best of my belief.
LAT. = 32.1738064'N LONG. = 103.7571418'W	LTP NOTE:	LAT. = 32.1738251'N	OCTOBER 20, 2020
NMSP EAST (FT)		RTH NINCO EAST (ET)	E 100
N = 427442.95 E = 719613.55	BHL AMERICAN DATUM OF 1983 LISTED NEW MEXICO STATE I	PLANE N = 427478.46	Date of Survey
c = /15010.00 E	BOTTOM OF HOLE EAST COORDINATES ARE GRI LAT. = 32.1738734'N USED ARE NEW MEXICO STA	TANCES	- A Star An
2568.	LONG. = 103.7539427'W NMSP EAST (FT) EAST COORDINATES MODIFIED SURFACE. VERTICAL DATUM I	D TO THE Q	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
SW CORNER SEC. 35 ≱	N = 427472.64 S/4 CORNER SEC. 35	SE CORNER SEC. 35	A AN AN AS
LAT. = 32.1667474'N 5 LONG. = 103.7571765'W 書	E = 720603.27 LAT. = 32,1667033'N LONG. = 103.7486249'W	* LAT. = 32.1666605'N * LONG. = 103.7400854'W	Signature and Seal of Professional Surveyor:
NMSP EAST (FT)	NMSP EAST (FT)	S NMSP EAST (FT)	Certificate Number: PATRION, MR. 1011, 10, 11, S 12797
N = 424874.92 E = 719616.56	N = 424873.17 E = 722262.79	N = 424872.06 E = 724905.29	PROFESSION
	N89'57'44"W 2646.81 FT N89'58'34"W 2643.		005

Received by OCD: 2/22/2021 7:59:21 AM

Intent X As Drilled		
API #		
Operator Name:	Property Name:	Well Number
DEVON ENERGY PRODUCTION CO., L.P.	COTTON DRAW UNIT	603H

Kick Off Point (KOP)

UL	Section 26	Township 24S	Range 31E	Lot	Feet 39 FNL	From N/S	Feet 990 FWL	From E/W	County EDDY
	Latitude 32.19539629			Longitude -103.753	93204			NAD 83	

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
D	26	24S	31E		100	NORTH	990	WEST	EDDY
	Latitude 32.1953219			Longitude 103	8.7539294			NAD 83	

Last Take Point (LTP)

UL E	Section 35	Township 24S	Range 31E	Lot	Feet 2520	From N/S NORTH	Feet 990	From E/W WEST	County EDDY	
Latitude 32.1741482			Longitud	e 103.753	9416	NAD 83				

NO

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

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

KZ 06/29/2018



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

March 22, 2021

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

RE: Application for Nonstandard Spacing and Nonstandard Location Engineering Statement Devon Energy Production Company, L.P. Cotton Draw Unit 601H, 603H, 604H, 605H, & 606H (the "Cotton Draw Unit Wells") W/2 of Sections 26 & NW/4 of Section 35-24S-31E Eddy County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, L.P. respectfully requests administrative approval of a non-standard spacing ("NSP") and non-standard location ("NSL") for each of the Cotton Draw Unit Wells referenced above. The Cotton Draw Unit Wells are 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 320 acres to 160 acres will allow for additional recovery in the NW/4 thereby increasing ultimate recovery of reserves and thereby preventing waste of natural resources. Also, decreasing the first and last take point will increase the wells effective lateral length by 460 feet thereby increasing ultimate recovery of reserves and thereby preventing waste of natural resources.

Sincerely,

Parge Bowes

Paige Bowes Reservoir Engineer



24S - 31E - 22 Affected Offset Spacing Units	245 - 31	E - 23	245 -	31E - 24	
248 + 31E + 27 Horizontal Spacing Unit	2 4 S_i - 3 1	E' 2'ö	- 눭 4 원 -	31E [†] - 냨5	
Cotton Draw Unit 601H, 603H, 604H, 605H, & 606H	245 - 31	E - 35	248 -	31 É 36	
25S - 31E - 3 Affected Offset Spacing Units	258 - 3	E - 2	258 -	31E - 1	
25S - 31E - 10	258 - 31	E - 11	258 -	31E - 12	_

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



Service	Certified Mail Certified Mail Certified Mail Certified Mail Certified Mail Certified Mail	Certified Mail Certified Mail Certified Mail
Status		
Date Mailed	3.29.21 3.29.21 3.29.21 3.29.21 3.29.21 3.29.21	3.29.21 3.29.21 3.29.21
USPS Certified Mail Number	9414711699000710050055 9414711699000710050086 9414711699000710050420 9414711699000710050482 9414711699000710050550 9414711699000710058266	9414711699000710058297 9414711699000710058853 9414711699000710058792
Address	22777 Springwoods Village Pkwy Spring, TX 77389 1400 Smith St. Houston, TX 77002 5509 Champions Dr. Midland, TX 79706 5 E.Greenway Plaza Suite 110 Houston, TX 77046 PO Box 100 Artesia, NM 88210 5400 Lyndon B Johnson Fwy Suite 1500 Dallas, TX 75240 PO Box 900 Artesia, NM 88211	310 Old Santa Fe Trail Santa Fe, NM 87501 620 E. Greene St. Carlsbad, NM 88220 301 Dinosaur Trail, Santa Fe, NM 87508
Name	XTO Holdings LLC Chevron USA Inc. EOG Resources Inc. OXY Y-1 Company Vladin LLC Foran Oil Company ABO Petroleum LLC	New Mexico State Land Office Bureau of Land Management Bureau of Land Management



ABADIE I SCHILL PC



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

March 29, 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 Cotton Draw Unit 601H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 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 Cotton Draw Unit 603H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.
- 3) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Cotton Draw Unit 604H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.
- 4) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Cotton Draw Unit 605H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.
- 5) Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Cotton Draw Unit 606H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 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 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.

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

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

Application for an Unorthodox Location for the Cotton Draw Unit 601H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.

Dated:

Signature:

Application for an Unorthodox Location for the Cotton Draw Unit 603H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.

Dated:

Signature:

hereby waives objection to the above referenced Application for an Unorthodox Location for the Cotton Draw Unit 604H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.

Dated:

Signature:

Application for an Unorthodox Location for the Cotton Draw Unit 605H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.

Dated: _____

Signature: _____

Application for an Unorthodox Location for the Cotton Draw Unit 606H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.

ignature: