State of New Mexico Energy, Minerals and Natural Resources Department

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NON-STANDARD LOCATION

Administrative Order NSL-8330

Devon Energy Production Company, L.P. [OGRID 6137] Right Meow 31 7 Federal Com Well No. 717H API No. 30-025-48492

Proposed Location

	<u>Footages</u>	Unit/Lot	Sec.	Twsp	Range	County
Surface	200 FNL & 1515 FEL	В	31	23S	32E	Lea
First Take Point	451 FNL & 2374 FEL	В	31	23S	32E	Lea
Last Take Point	2490 FNL & 2400 FEL	G	7	24S	32E	Lea
Terminus	2603 FNL & 2403 FEL	G	7	24S	32E	Lea

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
W/2 E/2 of section 31	400.8	Wildcat; Upper Wolfcamp	98248
W/2 E/2 of section 6		-	
W/2 NE/4 of section 7			

Reference is made to your application received on February 14th, 2022.

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 well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal 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 240 - 266 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 31, T23S, R32E, encroachment to the E/2 W/2 Section 6, T24S, R32E, encroachment to the E/2 W/2 Section 7, T24S, R32E, encroachment to the E/2 NW/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 steering difficulties encountered during drilling, resulting in an encroachment towards the west. This preferred well spacing will prevent waste within the Wolfcamp formation underlying W/2 E/2 of section 31, W/2 E/2 of section 6 and the W/2 NE/4 of section 7.

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.

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

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.

ADMENNE E. SANDOVAL
Division Director

4/28/2022

AES/lrl