

State of New Mexico
Energy, Minerals and Natural Resources Department

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Mr. Darin Savage
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NON-STANDARD LOCATION

Administrative Order NSL - 8456

**Devon Production Company, L.P. [OGRID 6137]
Floofy Cat 21 16 Federal State Com Well No. 122H
API No. 30-025-50040**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	500 FSL & 2310 FWL	N	21	23S	32E	Lea
First Take Point	100 FSL & 2380 FWL	N	21	23S	32E	Lea
Last Take Point	100 FNL & 2380 FWL	C	16	23S	32E	Lea
Terminus	20 FNL & 2380 FWL	C	16	23S	32E	Lea

Proposed Horizontal Spacing Unit

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 of Section 21 SW/4 of Section 16	480	Sand Dunes; Bone Spring, South	53805

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
NW/4 of Section 16	160	Wildcat; Bone Spring	97933

Reference is made to your application received on October 6th, 2022.

The wells complete horizontal spacing unit comprises of two Bone Spring Pool/Formations with a comprised acreage of 640 acres. You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pools/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 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 48 feet to the eastern edge. Encroachment will impact the following tract.

Section 21, encroachment to the W/2 E/2
Section 16, encroachment to the W/2 E/2

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

Division understands you are seeking this unorthodox location in order to obtain a tighter well spacing in the area in order to increase the ultimate recovery of reserves within the Bone Spring formation underlying W/2 of Section 21 and the W/2 of Section 16.

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 Subsection B of 19.15.15.13 NMAC, **Division approves this unorthodox location.**

Reference this NSL order number on the As Drilled C-102, submitted with the Authorization to Transport (C-104), 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.



ADRIENNE E. SANDOVAL
Division Director

Date: 11/17/2022

AES/lrl