

4/13/2015 DATE IN	SUSPENSE	MAM ENGINEER	4/13/2015 LOGGED IN	NSC TYPE	PMAM1510331535 APP NO
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- 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

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☒ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **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.

Samuel Walker Print or Type Name	 Signature	Landman Title	4/7/15 Date
		samuel.walker@dun.com e-mail Address	

NSC 7273
 - Devon Energy Production
 Company, L.P.
 6137

Well
 - Swapping 2 State
 #10 H
 30-015-43024

Pool
 - Wildcat
 Bone Springs
 96403



Samuel Walker
Landman

Devon Energy Production Co., L.P.
333 West Sheridan Avenue
Oklahoma City, Oklahoma 73102-8260
Office: (405) 228-4342
Fax: (405) 234-2634

April 7, 2015

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505
Attn: Michael McMillan

Re: Snapping 2 State 10H
Section 2-T26S-R31E
Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), as Operator, plans to drill the referenced horizontal Bone Spring well to a total vertical depth of approximately 10,225' with a total measured depth of approximately 14,750'. As reflected on the attached C-102, the well has been permitted at a surface location of 200' FNL and 930' FWL with a permitted bottom hole location of 330' FSL and 1,320' FWL of Section 2, Township 26 South, Range 31 East.

The reasoning behind permitting this well at an unorthodox location is the intention to perform a downspacing test within Section 2, for the purposes of testing recovered reserves.

In accordance with Division rules, Devon respectfully requests that the Commission administratively approve this application for an unorthodox location with respect to that portion of the horizontal wellbore as described above in accordance with Division Rule 104(F) (3).

Attached for your review you will find a State of New Mexico form C-102.

Feel free to contact the undersigned at (405) 228-4342 if there are any concerns or questions regarding this application.

Yours truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

A handwritten signature in black ink, appearing to read "Samuel Walker", written over a horizontal line.

Samuel Walker
Landman

SW\Snapping 2 State 10H
Enclosure

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
911 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) 734-6178 Fax: (505) 334-6170
District IV
1230 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 30-015-43024	² Pool Code 96403	³ Pool Name wildcat Bone Spring
⁴ Property Code	⁵ Property Name SNAPPING 2 STATE	⁶ Well Number 10H
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁹ Elevation 3299.7

¹⁰ Surface Location

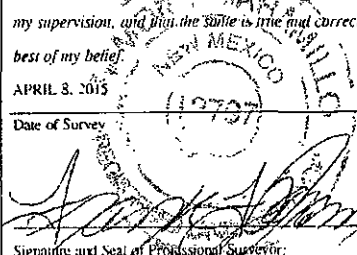
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
4	2	26 S	31 E		200	NORTH	930	WEST	EDDY

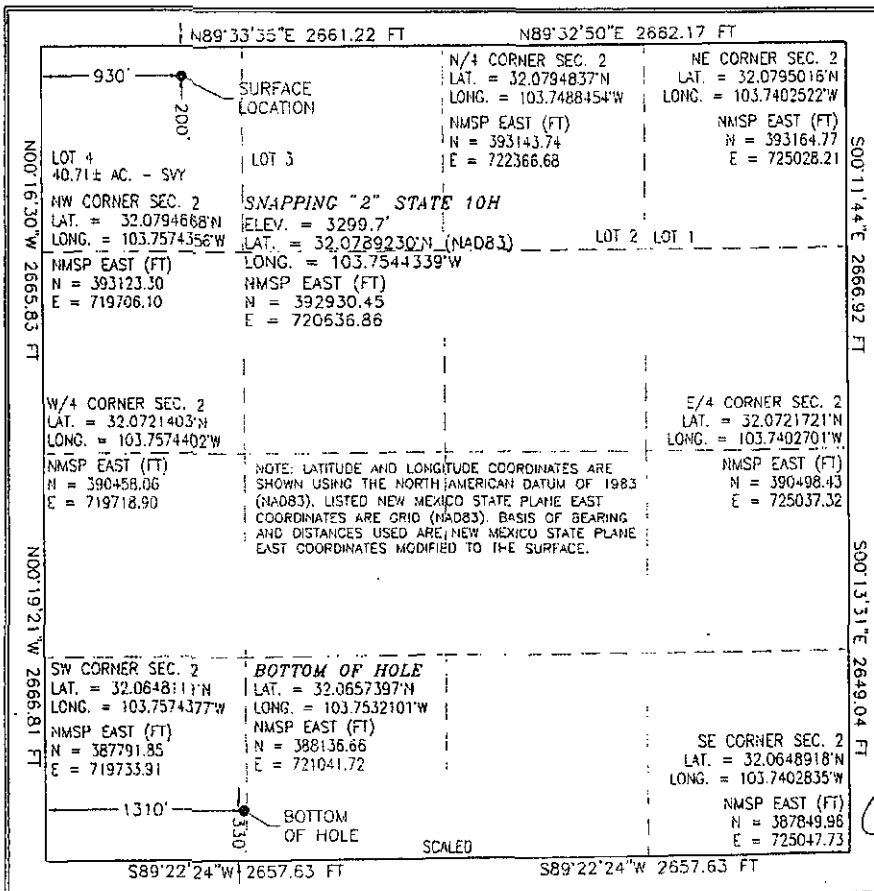
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
M	2	26 S	31 E		330	SOUTH	1310	WEST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
160			

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.

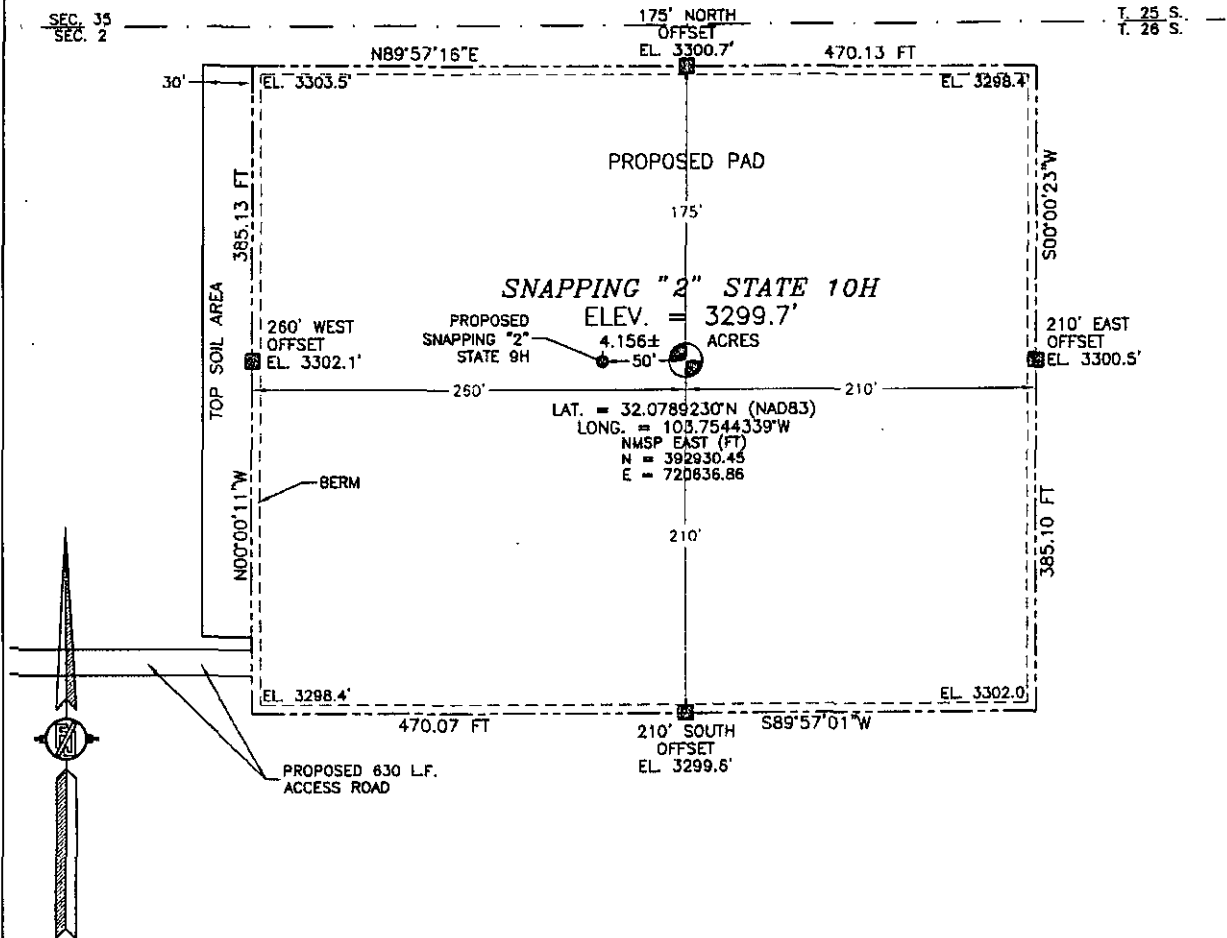
<p>" OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or 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.</i></p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>Email Address _____</p>	
<p>" SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision, and that the title is true and correct to the best of my belief.</i></p> <p>APRIL 3, 2015</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: </p> <p>Certificate Number: FILIPON E. JARAMILLO, PLS 12797</p> <p>SURVEY NO. 2180C</p>	



The map shows a well location plat for Section 2, Township 26S, Range 31E, Eddy County, NM. It includes surface and bottom hole locations with coordinates and distances. The surface location is 930' west and 200' north of the NE corner of Section 2. The bottom hole location is 1310' west and 330' south of the same corner. The map also shows the corners of Section 2 and the location of the well relative to the section corners. The map is scaled and includes a north arrow.

SECTION 2, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
SITE MAP

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE.



010 50 100 200

SCALE 1" = 100'

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF COUNTY ROAD #1 (ORLA HWY) AND
ROSS ROAD GO WEST ON ROSS ROAD APPROX. 4.9 MILES TO A
LEASE ROAD TO THE RIGHT (NORTH) TURN NORTH GO APPROX. 1.0
MILE TO A ROAD LATH WITH RED AND WHITE FLAGGING ON RIGHT
(EAST) OF LEASE ROAD GO EAST FOLLOW ROAD LATHS APPROX. 0.12
MILE TO LOCATION

DEVON ENERGY PRODUCTION COMPANY, L.P.

SNAPPING "2" STATE 10H

LOCATED 200 FT. FROM THE NORTH LINE
AND 930 FT. FROM THE WEST LINE OF

SECTION 2, TOWNSHIP 26 SOUTH,
RANGE 31 EAST, N.M.P.M.

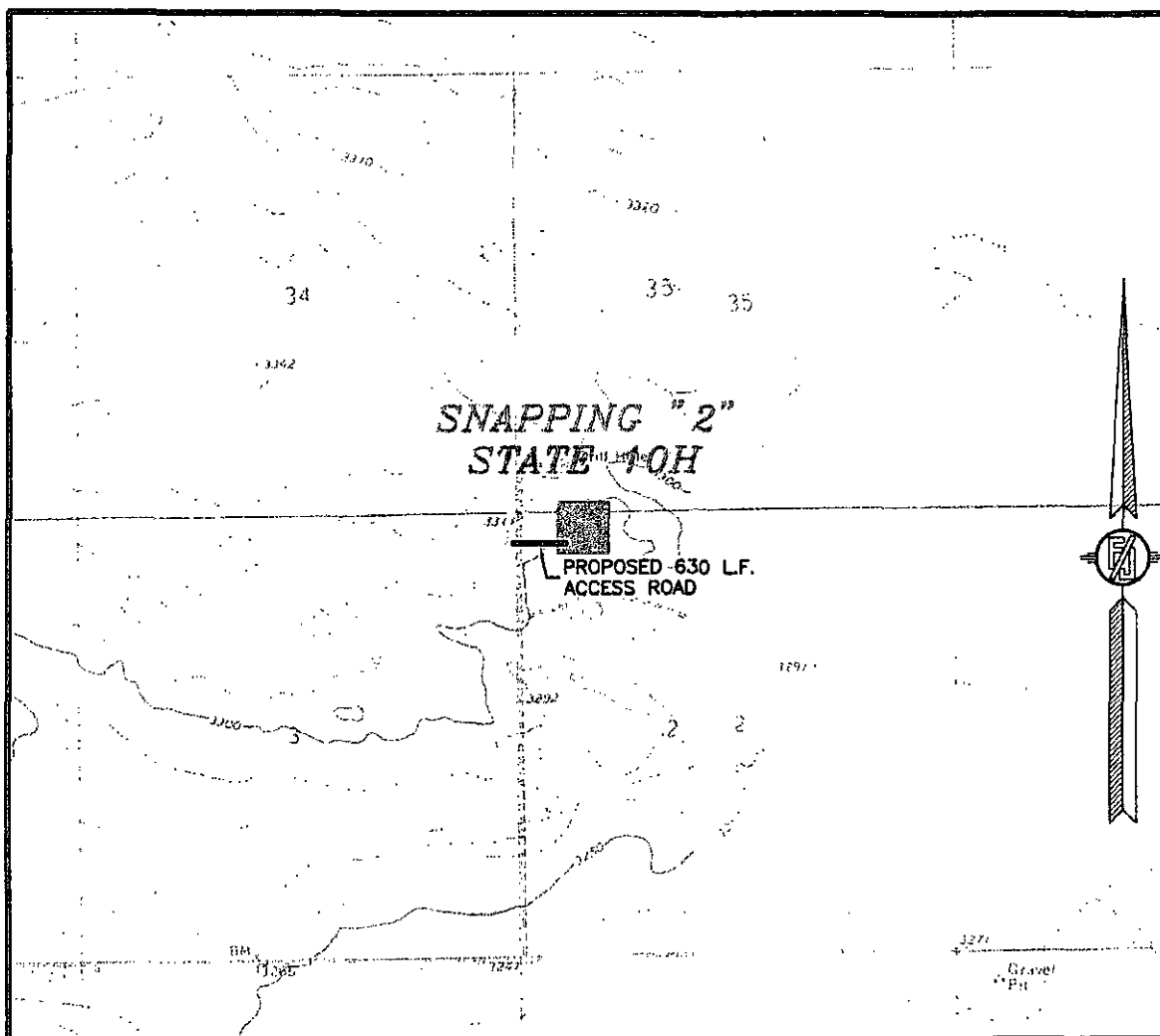
EDDY COUNTY, STATE OF NEW MEXICO

APRIL 8, 2015

SURVEY NO. 2160C

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

SECTION 2, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
LOCATION VERIFICATION MAP



USGS QUAD MAP:
PADUCA BREAKS WEST

NOT TO SCALE

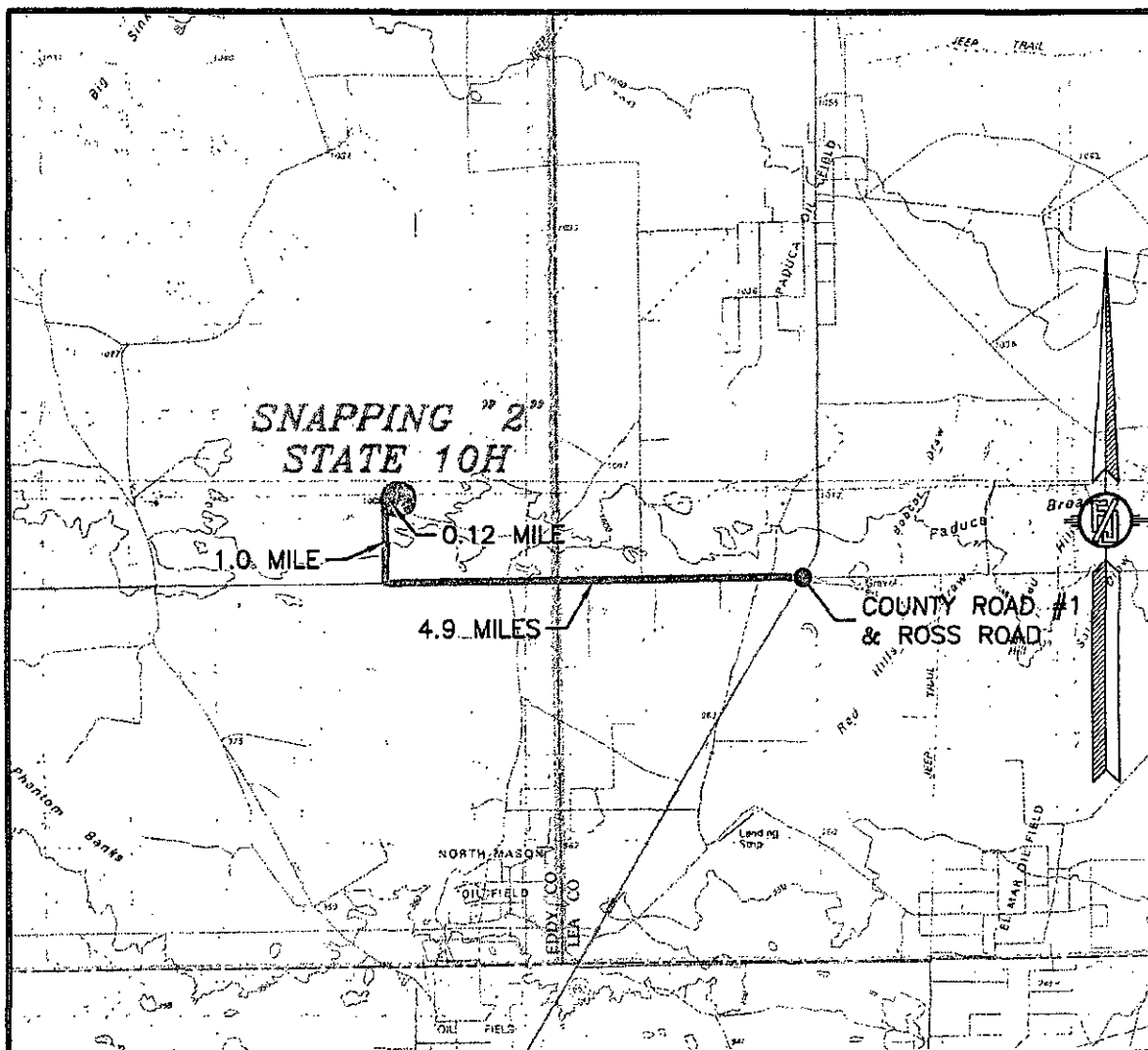
DEVON ENERGY PRODUCTION COMPANY, L.P.
SNAPPING "2" STATE 10H
LOCATED 200 FT. FROM THE NORTH LINE
AND 930 FT. FROM THE WEST LINE OF
SECTION 2, TOWNSHIP 26 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

APRIL 8, 2015

SURVEY NO. 2160C

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

SECTION 2, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
VICINITY MAP



DISTANCES IN MILES

NOT TO SCALE

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF COUNTY ROAD #1 (ORLA HWY) AND ROSS ROAD GO WEST ON ROSS ROAD APPROX. 4.9 MILES TO A LEASE ROAD TO THE RIGHT (NORTH) TURN NORTH GO APPROX. 1.0 MILE TO A ROAD LATH WITH RED AND WHITE FLAGGING ON RIGHT (EAST) OF LEASE ROAD GO EAST FOLLOW ROAD LATHS APPROX. 0.12 MILE TO LOCATION

DEVON ENERGY PRODUCTION COMPANY, L.P.

SNAPPING "2" STATE 10H

LOCATED 200 FT. FROM THE NORTH LINE

AND 930 FT. FROM THE WEST LINE OF

SECTION 2, TOWNSHIP 26 SOUTH,

RANGE 31 EAST, N.M.P.M.

EDDY COUNTY, STATE OF NEW MEXICO

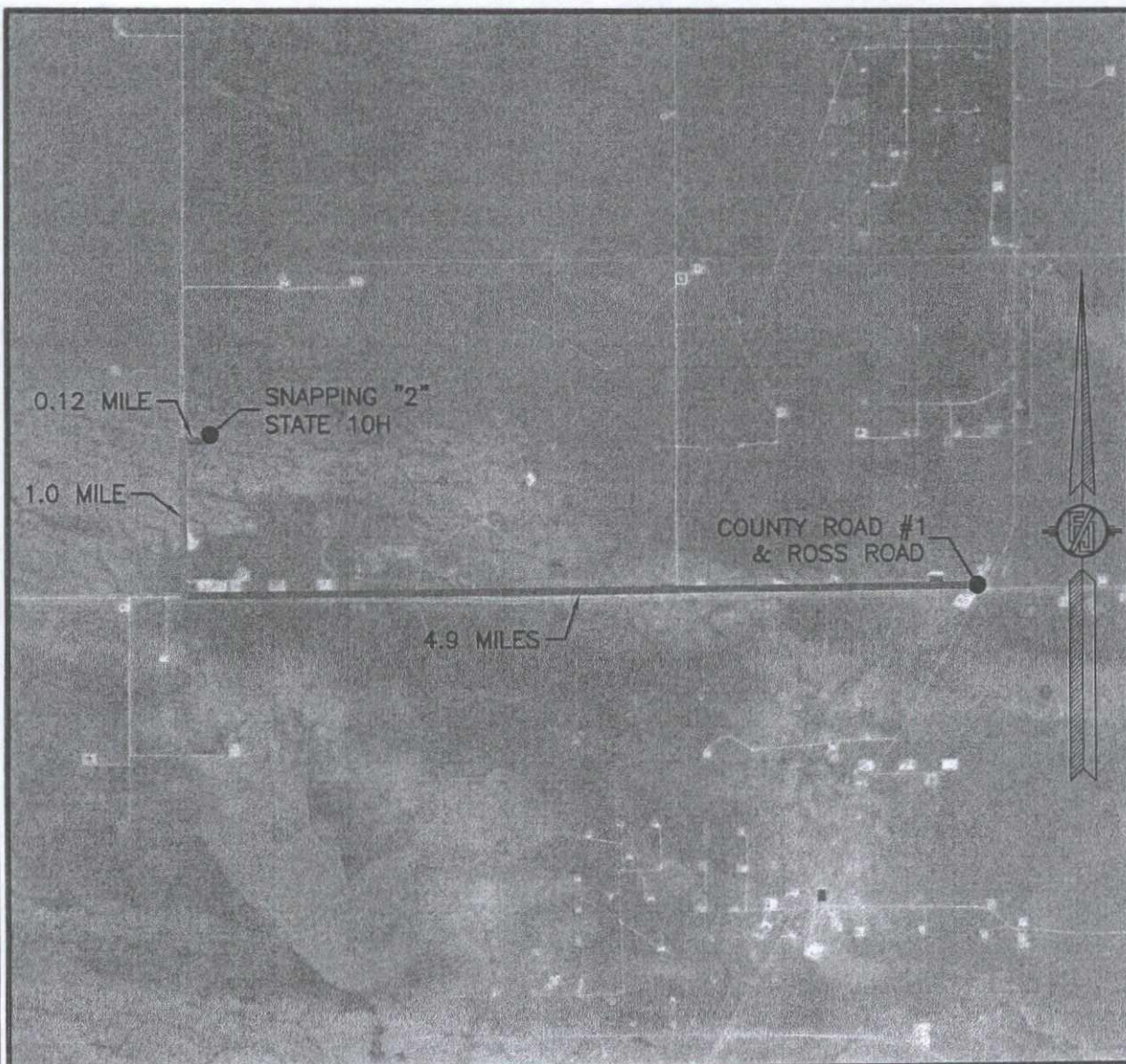
APRIL 8, 2015

SURVEY NO. 2160C

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

CARLSBAD, NEW MEXICO

SECTION 2, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
AERIAL ACCESS ROUTE MAP



NOT TO SCALE
AERIAL PHOTO:
GOOGLE EARTH
APR. 2013

DEVON ENERGY PRODUCTION COMPANY, L.P.

SNAPPING "2" STATE 10H

LOCATED 200 FT. FROM THE NORTH LINE
AND 930 FT. FROM THE WEST LINE OF
SECTION 2, TOWNSHIP 26 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

APRIL 8, 2015

SURVEY NO. 2160C

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

SECTION 2, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
AERIAL PHOTO



NOT TO SCALE
AERIAL PHOTO:
GOOGLE EARTH
APR. 2013

DEVON ENERGY PRODUCTION COMPANY, L.P.

SNAPPING "2" STATE 10H

LOCATED 200 FT. FROM THE NORTH LINE
AND 930 FT. FROM THE WEST LINE OF
SECTION 2, TOWNSHIP 26 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

APRIL 8, 2015

SURVEY NO. 2160C

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

McMillan, Michael, EMNRD

From: Walker, Samuel <Samuel.Walker@dvn.com>
Sent: Tuesday, May 12, 2015 12:13 PM
To: McMillan, Michael, EMNRD
Subject: Re: Non-Standard Locations

Yes it is.

Sent from my iPhone

On May 12, 2015, at 12:31 PM, McMillan, Michael, EMNRD
<Michael.McMillan@state.nm.us<mailto:Michael.McMillan@state.nm.us>> wrote:

Is the ownership in the entire Section 2 identical-not necessarily the two wells in question.
Thank you

Michael A. McMillan
Engineering and Geological Services Bureau, Oil Conservation Division
1220 South St. Francis Dr., Santa Fe NM 87505
O: 505.476.3448 F. 505.476.3462
Michael.mcmillan@state.nm.us<mailto:Michael.mcmillan@state.nm.us>

From: Walker, Samuel [mailto:Samuel.Walker@dvn.com]
Sent: Monday, May 11, 2015 1:20 PM
To: McMillan, Michael, EMNRD
Subject: RE: Non-Standard Locations

Mike,

Per our phone conversation, the ownership in the 10H and 15H should be identical.

Thank you,

Samuel Walker, RPL
Landman - Permian

Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010
405 228
4342<<http://strata.dvn.com/Search/Pages/PeopleResults.aspx?k=WorkPhone:%22%28405%29228%2D4342%22>>
Office
405 465 5520 Cell
405 234 2634 Fax

McMillan, Michael, EMNRD

From: Walker, Samuel <Samuel.Walker@dvn.com>
Sent: Monday, May 11, 2015 1:20 PM
To: McMillan, Michael, EMNRD
Subject: RE: Non-Standard Locations

Mike,

Per our phone conversation, the ownership in the 10H and 15H should be identical.

Thank you,

Samuel Walker, RPL
Landman - Permian

Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010
405 228 4342 Office
405 465 5520 Cell
405 234 2634 Fax

From: McMillan, Michael, EMNRD [mailto:Michael.McMillan@state.nm.us]
Sent: Monday, May 11, 2015 2:14 PM
To: Walker, Samuel
Subject: RE: Non-Standard Locations

Sam:
Is the ownership identical in Section 2?
Thank You
Michael McMillan

From: Walker, Samuel [mailto:Samuel.Walker@dvn.com]
Sent: Thursday, April 16, 2015 7:34 AM
To: McMillan, Michael, EMNRD
Subject: RE: Non-Standard Locations

Mike,

Attached, please see the letters to offset party XTO for the two wells.

Thank you,

Samuel Walker, RPL
Landman - Permian

Devon Energy Corporation
333 West Sheridan Avenue

McMillan, Michael, EMNRD

From: Walker, Samuel <Samuel.Walker@dvn.com>
Sent: Monday, April 13, 2015 6:28 AM
To: McMillan, Michael, EMNRD
Subject: RE: Non-Standard Locations

Mike,

The NW/4 NW/4 is 40 acres. For some reason, even though these quarter-quarters are referred to as Lots in the land description, they appear to all be 40 acres in this Section.

Thank you,

Samuel Walker, RPL
Landman - Permian

Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010
405 228 4342 Office
405 465 5520 Cell
405 234 2634 Fax

From: McMillan, Michael, EMNRD [<mailto:Michael.McMillan@state.nm.us>]
Sent: Tuesday, April 07, 2015 5:49 PM
To: Walker, Samuel
Subject: RE: Non-Standard Locations

Sam:
Have your engineers look at the survey-the NW/4 NW/4 and SW/4 SW/4 are greater than 40-acres- so the 1320 may work-10H
Mike

From: Walker, Samuel [<mailto:Samuel.Walker@dvn.com>]
Sent: Tuesday, April 07, 2015 9:17 AM
To: McMillan, Michael, EMNRD
Subject: Non-Standard Locations

Michael,

Per our conversation on the phone earlier today, please see the attached two NSL applications.

Please let me know if you have any questions.

Thank you,

Samuel Walker, RPL
Landman - Permian

McMillan, Michael, EMNRD

From: Walker, Samuel <Samuel.Walker@dvn.com>
Sent: Wednesday, April 15, 2015 8:47 AM
To: McMillan, Michael, EMNRD
Subject: RE: Non-Standard Locations

Mike,

Here is the corrected numbers.

10H:
First = 10,627' 1181' FWL and 829' FNL
Last = 14,950' 1310' FWL and 375' FSL

15H:
First = 10,585' 1310' FEL and 720' FNL
Last = 14,812' 1310' FEL and 375' FSL

Thank you,

Samuel Walker, RPL
Landman - Permian

Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010
405 228 4342 Office
405 465 5520 Cell
405 234 2634 Fax

From: McMillan, Michael, EMNRD [<mailto:Michael.McMillan@state.nm.us>]
Sent: Tuesday, April 14, 2015 9:45 AM
To: Walker, Samuel
Subject: RE: Non-Standard Locations

Sam:
I will need the footage calls from the unit boundaries for the penetration and final perforations for both wells
Michael McMillan

From: Walker, Samuel [<mailto:Samuel.Walker@dvn.com>]
Sent: Tuesday, April 14, 2015 7:32 AM
To: McMillan, Michael, EMNRD
Subject: RE: Non-Standard Locations

Mike,

Here are the estimated footages in the wellbores of the first and last perms of these two wells.



Samuel Walker
Landman

Devon Energy Production Co., L.P.
333 West Sheridan Avenue
Oklahoma City, Oklahoma 73102-8260
Office: (405) 228-4342
Fax: (405) 234-2634

April 16, 2015

Via Certified #91-7199-9991-7034-5076-7911

XTO Energy, Inc.
810 Houston Street
Fort Worth, Texas 76102-6298
Attn: Rodney Black

Re: Snapping 2 State 10H
Section 2-T26S-R31E
Eddy County, NM

Gentlemen:

Attached you will find Devon Energy Production Company, L.P.'s planned C-102 for the subject well. Upon completion of said well, the last perforation will be perforated at a location of 1,310' FWL and 375' FSL of Section 2. Devon has since filed an application for unorthodox location. Our records indicate that XTO Energy, Inc., as a working interest owner of that portion of Section 11-T26S-R31E, is an affected owner of an offset spacing unit and is entitled to notice of this application in accordance with Division Rule 104(f). Objections to this application should be submitted to the New Mexico Oil Conservation Division within twenty (20) days of receipt of this letter. If you have no objection to this application, please so indicate by signing and returning one copy of this letter to the undersigned.

If there are any questions or if additional information is required, feel free to call me at (405) 228-4342.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Samuel Walker
Landman

XTO Energy, Inc. has no objection to this administrative application for unorthodox location.

By: _____

Title: _____

Date: _____