Susana Martinez Governor

Tony Delfin Acting Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



August 30, 2016

Devon Energy Production Company, L.P. Attn: Mr. Jeff Ramsdell

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7455

Devon Energy Production Company, L.P. OGRID 6137 Thistle Unit Well No. 96 H API No. 30-025-42784

Proposed Location:

	Footages	Unit	Sec.	Twsp	Range	County_
Surface	250` FNL & 300` FE	EL A	22	23S	33E	Lea
Penetration Point	330` FNL & 348` FE	EL A	22	23S	33E	Lea
Final perforation	2590` FNL & 350` FE	ELH	27	23S	33E	Lea
(Terminus)						

Proposed Project Area:

Description	-	Acres	Pool	Pool Code
E/2 E/2 of Section	22	160	Triple X; Bone Spring	59900
E/2 NE/4 of Section	27	80		

Reference is made to your application received on August 8, 2016.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary, and Rule 19.15.16.14.B(2) NMAC concerning directional wells in designated project areas. This location is unorthodox because portions of the proposed completed interval are closer to outside boundaries of the proposed project area than any location that would be a standard location under the applicable pool rules. Administrative Order NSL-7455 Devon Energy Production Company, L.P. August 30, 2016 Page 2 of 2

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A(2) NMAC.

It is our understanding that you are seeking this location for the purposes of maximizing recovery of oil and gas reserves.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 A (2) NMAC, in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the abovedescribed unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DAVID R. CATANACH Director

DRC/lrl

cc: New Mexico Oil Conservation Division – Hobbs New Mexico State Land Office – Oil, Gas, and Minerals