DATE IN 10-14-17

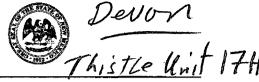
ABOVÉ THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

ENGINEER ()

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



			1 41316 MH1
		ADMINISTRATIVE APPLICATION CHECKLIS	T 30-025-398
	THIS CHECKLIST IS N	IANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RI WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE	ULES AND REGULATIONS
~pp.	•	ndard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneou	s Dedication]
	=	nhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]	• ••
	[PC-Pc	ool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Meas [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]	-
		[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]	wil
	[EOR-Qua	lified Enhanced Oil Recovery Certification] [PPR-Positive Production]	n Response]
[1]	TYPE OF AI	PPLICATION - Check Those Which Apply for [A]	
. ,	[A]	Location - Spacing Unit - Simultaneous Dedication	
		$oxed{oxed}$ NSL $oxed{oxed}$ NSP $oxed{oxed}$ SD	
	Check	Cone 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	
	m.1		PF 2000
	[D]	Other: Specify	9 9
[2]	NOTIFICAT	ION REQUIRED TO: - Check Those Which Apply, or □ Does Not App	olv
	[A]	Working, Royalty or Overriding Royalty Interest Owners	ply
	[D]	M 05-40-4-4-1 11 5 5 6	
	[B]	☐ Offset Operators, Leaseholders or Surface Owner	PA SE C
	[C]	Application is One Which Requires Published Legal Notice	
	ID1		•
	[D]	□ Notification and/or Concurrent Approval by BLM or SLO □.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office	
	[E]	For all of the above, Proof of Notification or Publication is Attach	ed. and/or.
		<u> </u>	,
	[F]	Waivers are Attached	
[3]	SUBMIT AC	CURATE AND COMPLETE INFORMATION REQUIRED TO PR	OCESS THE TYPE
	OF APPLICA	ATION INDICATED ABOVE.	
[4]	CERTIFICA	TION: I hereby certify that the information submitted with this application	on for administrative
		nd complete to the best of my knowledge. I also understand that no action	
appli	cation until the re	quired information and notifications are submitted to the Division.	
	Note	Statement must be completed by an individual with managerial and/or supervisory of	apacity.
	V-6- A 16-D	Katie A McDmall	****
Ratie A. McDonnell Print or Type Name		Signature Title	Date
		e-mail Address	avn.com



405 235 3611 Phone www.devonenergy.com

October 14, 2010

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

RE: Thistle Unit #17H
Section 33-T23S-R33E
Lea County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), as Operator, intends to drill the referenced horizontal Delaware well to a total vertical depth of 8,873' with a total measured depth of 13,784'. As reflected on the attached C-102, the well has been permitted at a surface location of 150' FSL and 1,470' FEL with a permitted bottom hole location of 150' FNL and 2,490' FEL of Section 33. We will penetrate to top of the Delaware formation at an unorthodox location of 150' FSL and 1,470 FEL (surface hole location), although the highest and deepest perforations in the well will not be closer than 330' to the outer boundary of the project area.

The surface hole location and bottom hole location will be non-standard in order to maximize the length of the horizontal portion of the wellbore within the target Delaware interval. By spotting the surface hole location 150' from the section line, this allows room to build the curve and land horizontally at a standard location within the target Delaware interval. By spotting the bottom hole location 150' from the section line, this allows room to drill sufficient rathole for casing shoe joints. Perforations in the horizontal wellbore in the target Delaware interval will be at least 330' from the section lines. If the surface hole location and bottom hole location were placed at standard locations (330' from the section lines), this would reduce the productive horizontal interval by at least 300 feet. With the proposed well plan, the productive interval of the horizontal wellbore within the target Delaware interval is maximized.

Inasmuch as the referenced well will penetrate the top of the Delaware formation at an unorthodox location from that permitted by the Statewide Pool Rules, Devon respectfully requests that the Commission administratively approve this application for an unorthodox location in accordance with Division Rule 104(F)(3). This unorthodox location affects the leasehold owners in Unit letters A and B of section 4-T24S-R33E (SHL) and Unit letters N and O of section 28-T23S-R33E (BHL). EOG is the operator of the Brininstool 4 State #1, an E/2 spacing, Wolfcamp gas well located in section 4 on State lease NM LG 3175. Murchison Oil & Gas, Inc. is the only partner in this well. At the BHL, we will be non-standard to ourselves, as well as Trainer Partners, Ltd. In accordance with NMOCD Rules, the affected offset operator and working interest owners have been given notice of this application. Additionally, Devon requests Commission approval to designate a 160 acre project area consisting of four standard oil spacing units comprised of the W/2 E/2 (Unit letters B, G, J, & O) of said Section 33.

NMOCD- David Brooks Page 2 October 14, 2010

Attached for your review you will find a land plat, copies of letters of notification to the affected parties, a structure map covering the Top Delaware formation, a State of New Mexico form C-102, and a Well Profile Planning Report prepared by Pathfinder Energy Services.

Feel free to contact the undersigned at (405)552-8040 if there are any concerns or questions regarding this application.

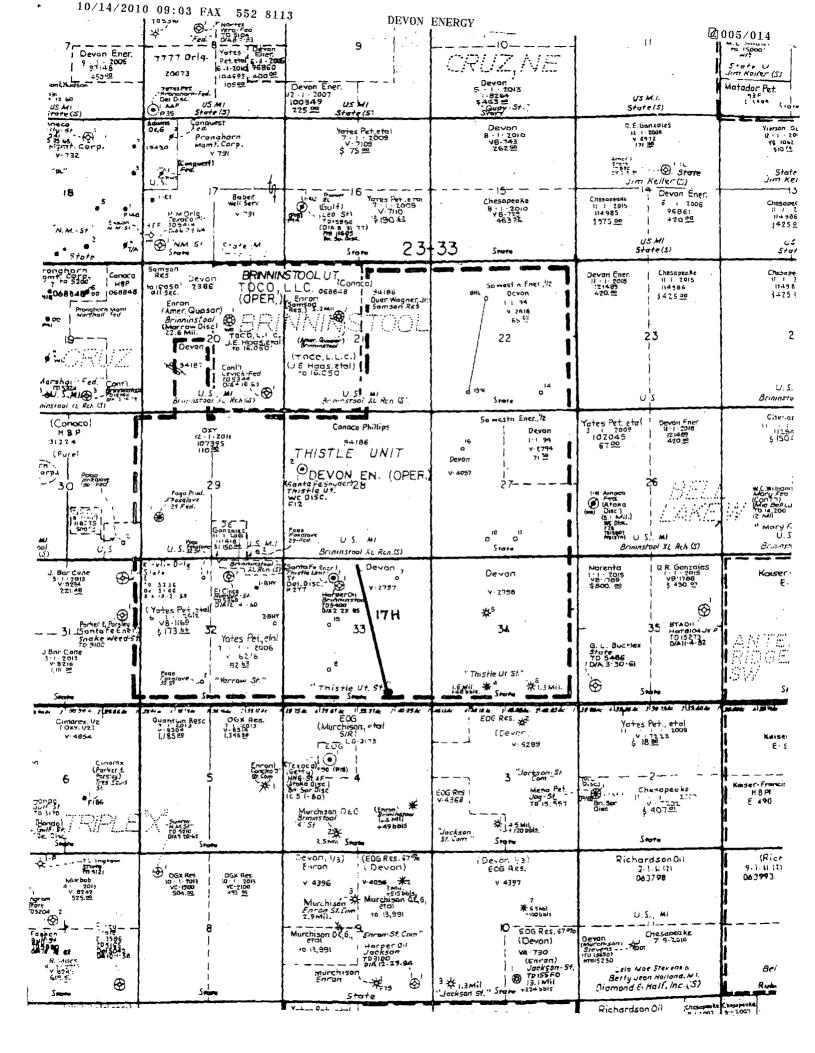
Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Katie a. modernell

Katie A. McDonnell

Landman





405 235 3611 Phone www.devonenergy.com

October 14, 2010

Attn: Doug Hurlbut EOG Resources Inc 4000 N Big Spring Ste 500 Midland, Texas 79705

Re: Thistle Unit #17H Section 33-T23S-R33E Lea County, NM

Gentlemen:

Attached you will find Devon Energy Production Company, L.P.'s administrative application for approval of an unorthodox well location covering the referenced well. Our records indicate that EOG Resources Inc as the designated operator of the Brininstool 4 State #1 well, located in Section 4-T24S-R33E is an affected owner of an offset spacing unit and is entitled to notice of this application in accordance with Division Rule 104(f). In accordance with NMOCD Rules, objections to this application must be filed with the New Mexico Oil Conservation Division within 20 days from the date the OCD receives the application. If you have no objection to this application, please so indicate by signing and returning one copy of this letter to the undersigned via facsimile to 405-552-8113.

If there are any questions or if additional information is required, feel free to call me at (405) 552-8040.

DEVON ENERGY PRODUCTION COMPANY, L.P.

Katie a. McDonnell

Katie A. McDonnell Landman

Yours very truly.

EOG Resources Inc. has no objection to this administrative application for unorthodox location.

Title:



405 235 3611 Phone www.devonenergy.com

October 14, 2010

Attn: Mike Heathington Murchison Oil & Gas, Inc. 414 W Texas Ave #405 Midland, TX 79701-4415

Re: Thistle Unit #17H Section 33-T23S-R33E Lea County, NM

Gentlemen:

Attached you will find Devon Energy Production Company, L.P.'s administrative application for approval of an unorthodox well location covering the referenced well. Our records indicate that Murchison Oil & Gas, Inc. as a working interest owner in the Brininstool 4 State #1 well, located in Section 4-T24S-R33E is an affected owner of an offset spacing unit and is entitled to notice of this application in accordance with Division Rule 104(f). In accordance with NMOCD Rules, objections to this application must be filed with the New Mexico Oil Conservation Division within 20 days from the date—the OCD receives the application. If you have no objection to this application, please so indicate by signing and returning one copy of this letter to the undersigned via facsimile to 405-552-8113.

If there are any questions or if additional information is required, feel free to call me at (405) 552-8040.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Xatie a modonnell

Katie A. McDonnell Landman

Murchison Oil & Gas, Inc. has no objection to this administrative application for unorthodox location.

By: _______

Title: ______



405 235 3611 Phone www.devonenergy.com

October 14, 2010

Attn: Randall Trainer Trainer Partners, Ltd. P.O. Box 3778 Midland, TX 79702

Re: Thistle Unit #17H Section 33-T23S-R33E Lea County, NM

Gentlemen:

Attached you will find Devon Energy Production Company, L.P.'s administrative application for approval of an unorthodox well location covering the referenced well. Our records indicate that Trainer Partners, Ltd. as a working interest owner in that portion of the Thistle Unit, located in Section 28-T23S-R33E is an affected owner of an offset spacing unit and is entitled to notice of this application in accordance with Division Rule 104(f). In accordance with NMOCD Rules, objections to this application must be filed with the New Mexico Oil Conservation Division within 20 days from the date the OCD receives the application. If you have no objection to this application, please so indicate by signing and returning one copy of this letter to the undersigned via facsimile to 405-552-8113.

If there are any questions or if additional information is required, feel free to call me at (405) 552-8040.

DEVON ENERGY PRODUCTION COMPANY, L.P.

Katil a monchell

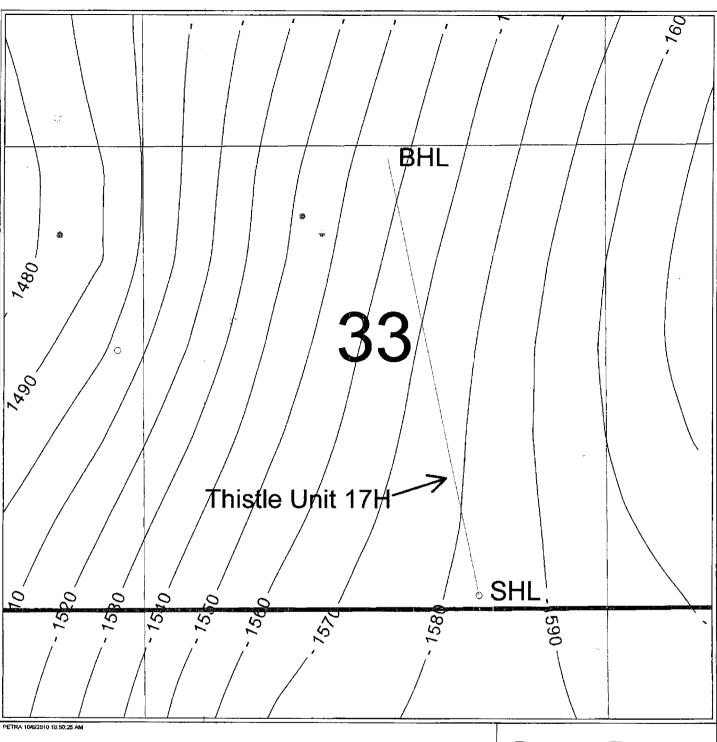
Katie A. McDonnell Landman

Yours very truly,

Trainer Partners, Ltd. has no objection to this administrative application for unorthodox location.

By: ______

Title: _____

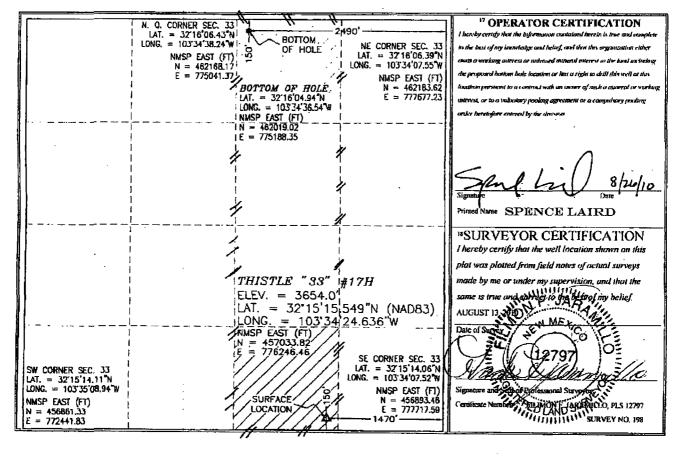


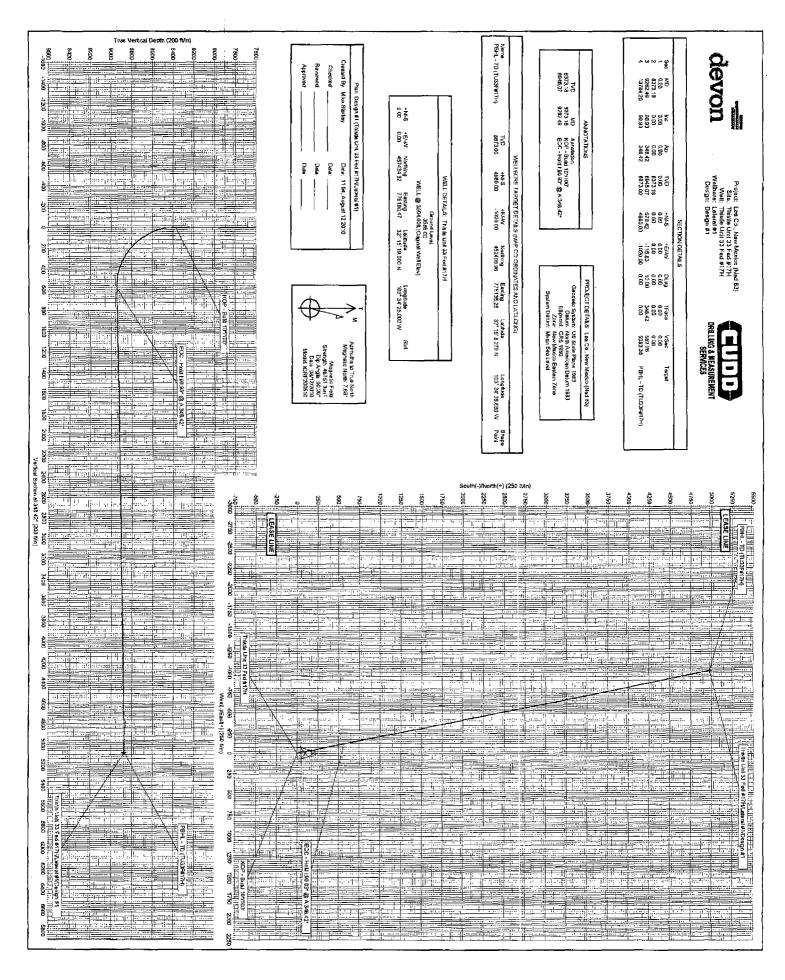
Devon Energy

Thistle Unit 17H Non-Standard Location Structure - Top Delaware 0 1,000 2,000 FEET October 6, 2010

District I					State of New Mexico			Form C-102		
1625 N. French Dr., Hobbs, NM 88240 ECE VERY Minerals & Natural Resources Department Revised October 15,2009 Submit one copy to appropriate								5,2009		
District U 1301 W. Grand Avenue, Artesla, NM 88210 OIL CONSERVATION DIVISION Submit one of							copy to a	ppropriate		
							æ			
1000 Rio Brazos R	District UII OOO Rio Brazos Rd., Azlee, NAI 87416 AUG 2 7 2010 1220 South St. Francis Dr. Santa Fe NM 87505 AMENDED REPORT									
							EPORT			
WELL LOCATION AND ACKEAGE DEDICATION PLAT //										
1	API Number Pool Code Pool Code								'W 21001	
30.025-39893 96193 CBRUSHY CANYON Delausar							graces			
1 Property Code					¹ Property Name				*Well Number	
3088t					THISTLE "33" Unit				17H	
OGRID No.				*	Operator Name				° Elevation	
6137		DEV	ON EN	ON ENERGY PRODUCTION COMPANY, L.P.				3654.0		
¹⁰ Surface Location										
UL or let no.	Section	Township	Range	Lot Jd	n Feet from	the North/South	line Feet from t	he Fast/We	st line	County
0	33	23 S	33 E		150	SOUT	H 1470	EAS	ST	LEA
" Bottom Hole Location If Different From Surface										
UL or let no.	Section	Toweship	Range	J.ot Ith	n Feet from	the North/South	llue Feet from t	he East/We	st line	County
В	33	23 S	33 E		150	NORT	H 2490	EAS	ST	LEA
12 Dedicated Acres	Joint o	r (nffill)34 (onsolidation	Code	Order No.	•		-		
160			i					•		
										

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.







Devon Energy

Lea Co., New Mexico (Nad 83)
Thistle Unit #17H
Thistle Unit #17H

Lateral #1

Plan: Design #1

Standard Survey Report

06 October, 2010



Design #1

New Mexico Fastern Zone



Map Zone:

CUDD Drilling & Measurement Services

Survey Report



EDM 2003.21 Single User Db

Company:

Devon Energy:

Eas Co., New Mexico (Nad 83).

Typ: Reference:

WELL @ 3604:00ft (Original Well Elev):

Site:

Thistle Unit #17H:

WELL @ 3604:00ft (Original Well Elev):

Well Drift #17H:

Well @ 3604:00ft (Original Well Elev):

Well Drift #17H:

Well @ 3604:00ft (Original Well Elev):

Well @ 3604:00ft (Original

Lea Co., New Mexico (Nad 83)

 Map System:
 US State Plane 1983
 System Datum:
 Mean Sea Level

 Geo Datum:
 North American Datum 1983

 Site
 Thistle Unit #17H, Sec 33, T-23S, R-33E

 Site Position:
 Northing:
 457,434.32 ft
 Latitude:
 32° 15' 19.000 N

 From:
 Lat/Long
 Easting:
 776,190.47 ft
 Longitude:
 103° 34' 25.000 W

Position Uncertainty: 0.00 ft Stot Radius: " Grid Convergence: 0.41 °

Well: Thistle Unit #17H Well Position +N/-S 457,434.32 ft Northing: +E/-W 0.00 ft Easting: 776,190.47 ft Longitude: 103" 34' 25,000 W **Position Uncertainty** 0.00 ft Wellhead Elevation: 3,604.00 ft Ground Level: 3,588.00 ft

 Wélhors
 Lateral #1

 Model Name
 Sumple Date
 Decliration
 Dip Angle*
 Field Strength

 (7)
 (1)
 (0.7)
 (0.7)

 (GRF200510
 08/12/10
 7.68
 80.26
 48,751

Survey Tool Program 1 Date 108/12/10 1 Tool Name Description 1.00 8,200.00 Design #1 (Lateral #1) NS-GYRO-MS North sensing gyrocompassing m/s

8,200.00 13,784.20 Design #1 (Lateral #1) CUDD MWD MWD - Standard CUDD MWD

Planned Survey Depth Section Rate Rate Rate iEJ W (*NOOFT) (tt) (16) (*1100N) (ft) (*M00ft) 0.00 0.00 0.00 0.00 0.00 0.00 0.00 5,132.00 0.00 0.00 5,132.00 0.00 0.00 0.00 0.00 0.00 0.00 Delaware⁻ 6,121.00 0.00 0.00 6,121.00 0.00 0.00 0.00 0.00 0.00 0.00 **Cherry Canyon** 7,287.00 0.00 7,287.00 0.00 0.00 0.00 0.00 0.00 0.00 **Brushy Canyon** 8,373.18 0.00 0.00 8,373.18 0.00 0.00 0.00 0.00 0.00 0.00 KOP - Build 10*/100* 9.282.49 90.93 348.42 570.42 8,946.07 582.26 10.00 10.00 0.00 EOC - Hold 1:90.93° @ A:348.42°

Lateral #1

Design #1



Wellbore

Design

CUDD Drilling & Measurement Services

Survey Report



Company Devon Energy Local Co-ordinate: Reference:

Project: Lea Co., New Mexico (Nad 83) INUE Reference:

Side: Thistle Unit #17H MD Reference:

West: Thistle Unit #17H North-Reference:

Local Co-ordinate Reference:

IVO Reference:

WELL @ 3604.00ft (Original Well Elev)
WELL @ 3604.00ft (Original Well Elev)
Nordi-Reference:

Survey Calculation Method:

Database:

Single User Db

Planned Survey Build Vertical Depth •ELW Azimuth (7100m) (r/100m) (0) (**ft**) (ft) 0.00 0.00 13,784.20 90.93 348.42 8,873.00 4,980.00 -1,020.00 5,083.38 0.00 PBHL - TD (TU33F#17H)

Plan Annotations Measured Depth *E/W +N/S m KOP - Build 10*/100' 0.00 0.00 8,373.18 8.373.18 8,946.07 EOC - Hold 1:90.93* @ A:348.42* 9.282.49 570.42 -116.83

Checked By:	Approved	Ву:	Date:	

Brooks, David K., EMNRD

From:

Brooks, David K., EMNRD

Sent:

Monday, October 18, 2010 12:13 PM

To:

'McDonnell, Katie'

Subject:

Thistle Unit #17H; NSL Application

Dear Ms. McDonnell

I have in hand the referenced application, and I have some questions.

First, I do not find the footages for the penetration point of the Delaware formation. Will the Delaware be penetrated in the vertical portion of the wellbore, so that the penetration point will be at the surface location?

Second, the surface location encroaches toward Unit P of Section 33, and the BHL encroaches toward Unit C. It is not clear whether any portion of the wellbore will be less than 330 feet from Unit I or Unit F. You have not addressed these units in your recitations concerning parties notified.

Please advise concerning these matters.

Thanks

David K. Brooks Legal Examiner

Brooks, David K., EMNRD

From:

Brooks, David K., EMNRD

Sent:

Monday, October 18, 2010 2:20 PM

To:

'McDonnell, Katie'

Subject:

RE: Thistle Unit #17H; NSL Application

Dear Ms. McDonnell

No further notification is needed to the parties already notified. I do, however, also need to know if the penetration point will be at the surface location, and, if not, what are the footages.

Sincerely

David K. Brooks Legal Examiner

Frame McDannell Katia InspiltanKa

From: McDonnell, Katie [mailto:Katie.McDonnell@dvn.com]

Sent: Monday, October 18, 2010 12:55 PM

To: Brooks, David K., EMNRD

Subject: RE: Thistle Unit #17H; NSL Application

Mr. Brooks,

I apologize for the lack of completeness. As you have no doubt noticed, I am new, so please bear with me.

Devon is the operator of that portion of the Thistle Unit, located in sec 33. The working interest owners who should've been notified in Unit letters C, F, P and I, are Trainer Partners, Ltd, and EOG, who have already been notified of this application for their interest in other affected unit letters. Is another letter required notifying them of the other areas that they are affected in by this location?

Thank you for your patience, Katie McDonnell

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]

Sent: Monday, October 18, 2010 1:13 PM

To: McDonnell, Katie

Subject: Thistle Unit #17H; NSL Application

Dear Ms. McDonnell

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Thanks

David K. Brooks Legal Examiner

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Brooks, David K., EMNRD

From:

McDonnell, Katie [Katie.McDonnell@dvn.com]

Sent:

Monday, October 18, 2010 2:24 PM

To:

Brooks, David K., EMNRD

Subject:

RE: Thistle Unit #17H; NSL Application

Yes you're correct; the penetration point is the same as the SHL, as stated in the last sentence of the first paragraph of my letter to you.

Thank you for your help, Katie McDonnell

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]

Sent: Monday, October 18, 2010 3:20 PM

To: McDonnell, Katie

Subject: RE: Thistle Unit #17H; NSL Application

Dear Ms. McDonnell

No further notification is needed to the parties already notified. I do, however, also need to know if the penetration point will be at the surface location, and, if not, what are the footages.

Sincerely

David K. Brooks Legal Examiner

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Sent: Monday, October 18, 2010 12:55 PM

To: Brooks, David K., EMNRD

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Sent: Monday, October 18, 2010 1:13 PM

To: McDonnell, Katie

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Thanks

David K. Brooks Legal Examiner

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