

ID NO. 370530

NSL - 8792

RECEIVED: 08/05/24	REVIEWER:	TYPE:	APP NO: pLEL2421859583
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & 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

Applicant: Devon Energy Production Company, L.P. **OGRID Number:** 6137
Well Name: Chincoteague 8-32 Fed State Com 713H **API:** 30-025-52974
Pool: Paduca; Bone Spring **Pool Code:** 96641

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location – Spacing Unit – Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
 [I] Commingling – Storage – Measurement
 DHC CTB PLC PC OLS OLM
 [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **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.

Paula M. Vance

Print or Type Name

Signature

August 5, 2024

Date

505-954-7286

Phone Number

PMVance@hollandhart.com

e-mail Address



Paula M. Vance
Associate
Phone (505) 954-7286
PMVance@hollandhart.com

August 5, 2024

VIA ONLINE FILING

Gerasimos Razatos, Acting Division Director
Oil Conservation Division
Energy, Minerals and Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

**Re: Devon Energy Production Company, L.P.
Request for Administrative Approval of Unorthodox Well Location**

Chincoteague 8-32 Fed State Com 713H well
E/2 of Section 32, Township 24 South, Range 32 East; Lots 1-2, the S/2 NE/4, and the SE/4
(E/2 equivalent) of irregular Section 5, and the NE/4 of Section 8, Township 25 South,
Range 32 East, Lea County, New Mexico
WC-025 G-08 S253216D; Upper Wolfcamp [98270]
API No. 30-025-52974

Dear Mr. Razatos:

Devon Energy Production Company, L.P. (“Devon”) (OGRID No. 6137), pursuant to Division Rules 19.15.16.15(C)(6) and 19.15.15.13 NMAC and applicable rules governing acreage and well location requirements for the WC-025 G-08 S253216D; Upper Wolfcamp [98270], seeks administrative approval of an unorthodox well location for its **Chincoteague 8-32 Fed State Com 713H** well (API No. 30-025-52974), in an 800.83-acre, more or less, spacing unit underlying the E/2 of Section 32, Township 24 South, Range 32 East; Lots 1-2, the S/2 NE/4, and the SE/4 (E/2 equivalent) of irregular Section 5, and the NE/4 of Section 8, Township 25 South, Range 32 East, Lea County, New Mexico.

The **Chincoteague 8-32 Fed State Com 713H** oil well is an infill well. The **Chincoteague 8-32 Fed State Com 737H** well is the defining well, creating the enlarged spacing unit.

The proposed well location for the **Chincoteague 8-32 Fed State Com 713H** is as follows:

- Surface location: 2,464’ FNL and 2,410’ FEL (Unit G) of Section 8
- First take point: 2,544’ FNL and 2,450’ FEL (Unit G) of Section 8

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

- Last take point: 100’ FNL and 2,450’ FEL (Unit B) of Section 32
- Bottom location: 20’ FNL and 2,450’ FEL (Unit B) of Section 32

Since this acreage is governed by the Division’s statewide rules, the completed interval for this well is unorthodox because it is closer than the standard offsets to the western boundary of the spacing unit; thus, encroaching on Devon’s offsetting spacing unit comprising the W/2 of Section 32, T24S-R32E; Lots 3-4, the S/2 NW/4, and the SW/4 (W/2 equivalent) of irregular Section 5, and the W/2 of Section 8, T25S-R32E. As explained in the engineering statement included as **Exhibit A**, approval of the unorthodox, completed lateral will allow Devon to use its preferred well spacing, which is necessary to maximize recover and prevent waste.

Exhibit B is a Form C-102 showing the Chincoteague 8-32 Fed State Com 713H well encroaches on the unit to the west in the W/2 of Section 32, T24S-R32E; Lots 3-4, the S/2 NW/4, and the SW/4 (W/2 equivalent) of irregular Section 5, and the W/2 of Section 8, T25S-R32E. Additionally, included is a Form C-102 for the Chincoteague 8-32 Fed State Com 737H well, showing it is the defining well for the enlarged spacing unit.

Exhibit C is a plat for Section 32, T24S-R32E, and irregular Section 5 and Section 8, T25S-R32E, that shows the Chincoteague 8-32 Fed State Com 713H well in relation to the adjoining unit to the west. Exhibit C also includes an ownership list for the affected unit to the west, showing that it is owned and operated by Devon. In addition, the exhibit identifies that these include State and Federal leases. Accordingly, the “affected persons”¹ are New Mexico State Land Office (“NMSLO”) and the Bureau of Land Management (“BLM”).

Exhibit D is a spreadsheet listing all affected persons Devon provided notice and includes tracking information demonstrating that each of the affected persons was sent a copy of this application with all attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application. The following are the affected persons:

Type	Affected Party	Offsetting Acreage
State Mineral Interest	New Mexico State Land Office	W/2 of Section 32, T24S-R32E; Lots 3-4, the S/2 NW/4, and the SW/4 (W/2 equivalent) of irregular Section 5, and the W/2 of Section 8, T25S-R32E
Federal Mineral Interest	Bureau of Land Management	

¹ See NMAC §§ 19.15.2.7.A(8) [defining “affected persons” as, “in the absence of an operator, or with respect to an application wherein the operator of the spacing unit or identified tract is the applicant, each working interest owner”] and 19.15.4.12.A(2)(a).

Your attention to this matter is appreciated.

Sincerely,



Paula M. Vance
ATTORNEY FOR
DEVON ENERGY PRODUCTION COMPANY, L.P.

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
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Colorado
Idaho

Montana
Nevada
New Mexico

Utah
Washington, D.C.
Wyoming



Devon Energy Production Company, L.P.
333 West Sheridan Avenue
Oklahoma City, OK 73102-5015

July 1, 2024

Mr. Leonard Lowe
New Mexico Oil Conservation Division
1220 South Francis Drive
Santa Fe, New Mexico 87505

RE: Application for Nonstandard Location
Engineering Statement
Devon Energy Production Company, L.P.
Chincoteague 8-32 Fed State Com 713H
E/2 of Section 32-24S-32E and E/2 of Section 5 & NW/4 Section 8-25S-32E
Lea County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, L.P. respectfully requests administrative approval of a non-standard location ("NSL") for the Chincoteague 8-32 Fed State Com 713H well (the "Chincoteague well") referenced above. The Chincoteague well is in the WC-025 G-08 S253216D; Upper Wolfcamp (Pool Code 98270). It is Devon's responsibility as a prudent operator to minimize reserves left in the ground. Therefore, in order to maximize ultimate recovery of reserves and prevent waste of natural resources, it is necessary for Devon to space the wells such that the Chincoteague well is less than 330 feet from the western boundary of the spacing unit.

Sincerely,

A handwritten signature in black ink, appearing to read "John Dwyer". The signature is fluid and cursive.

John Dwyer
Reservoir Engineer

EXHIBIT
A

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 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) 334-6178 Fax: (505) 334-6170
District IV
1220 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

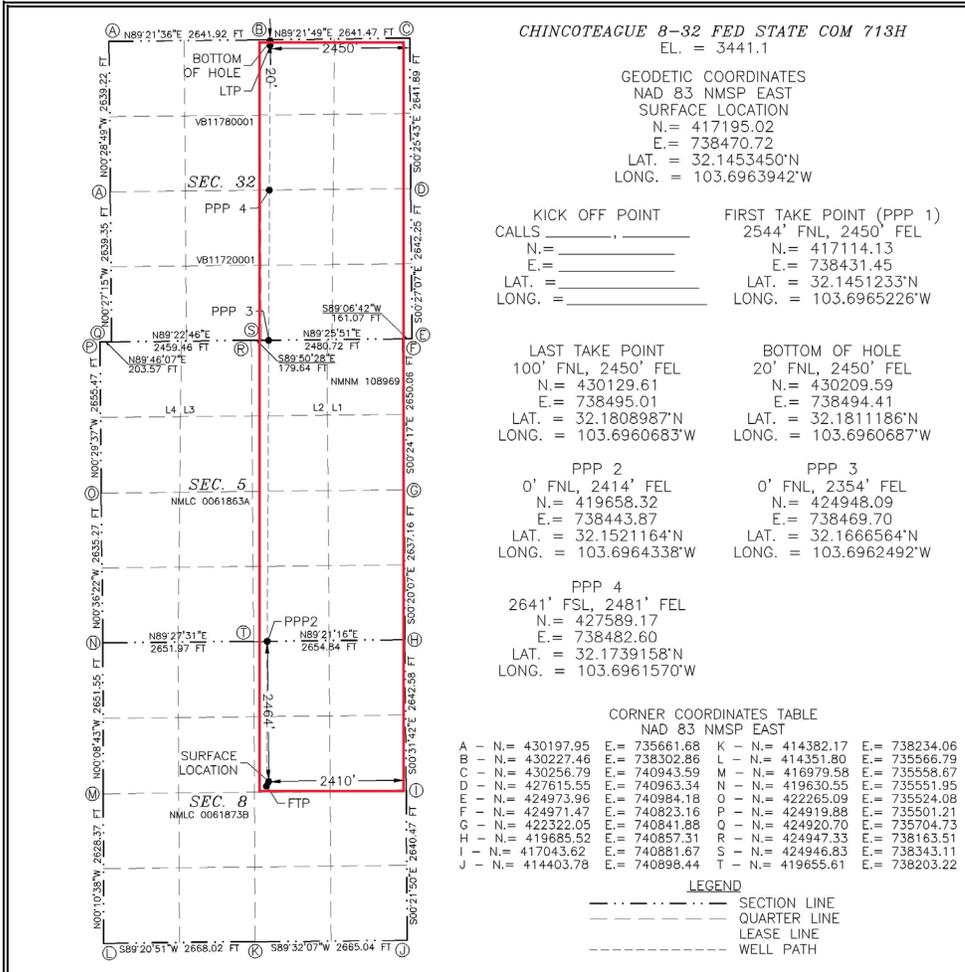
Table with 3 columns: API Number, Pool Code, Pool Name, Property Code, Property Name, Well Number, OGRID No., Operator Name, Elevation.

Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

Table with 4 columns: Dedicated Acres, Joint or Infill, Consolidation Code, Order No.

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.



17 OPERATOR CERTIFICATION
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 unleased 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.
Signature: Chelsey Green
Date: 07/10/2024

18 SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.
MAY 23, 2024
Date of Survey

Signature and Seal of [Surveyor Name]
Certificate Number: [Number]
WELL TYPE INFILL
EXHIBIT B

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 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) 334-6178 Fax: (505) 334-6170
District IV
1220 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

Table with 3 columns: API Number, Pool Code, Pool Name, Property Code, Property Name, Well Number, OGRID No., Operator Name, Elevation.

Surface Location

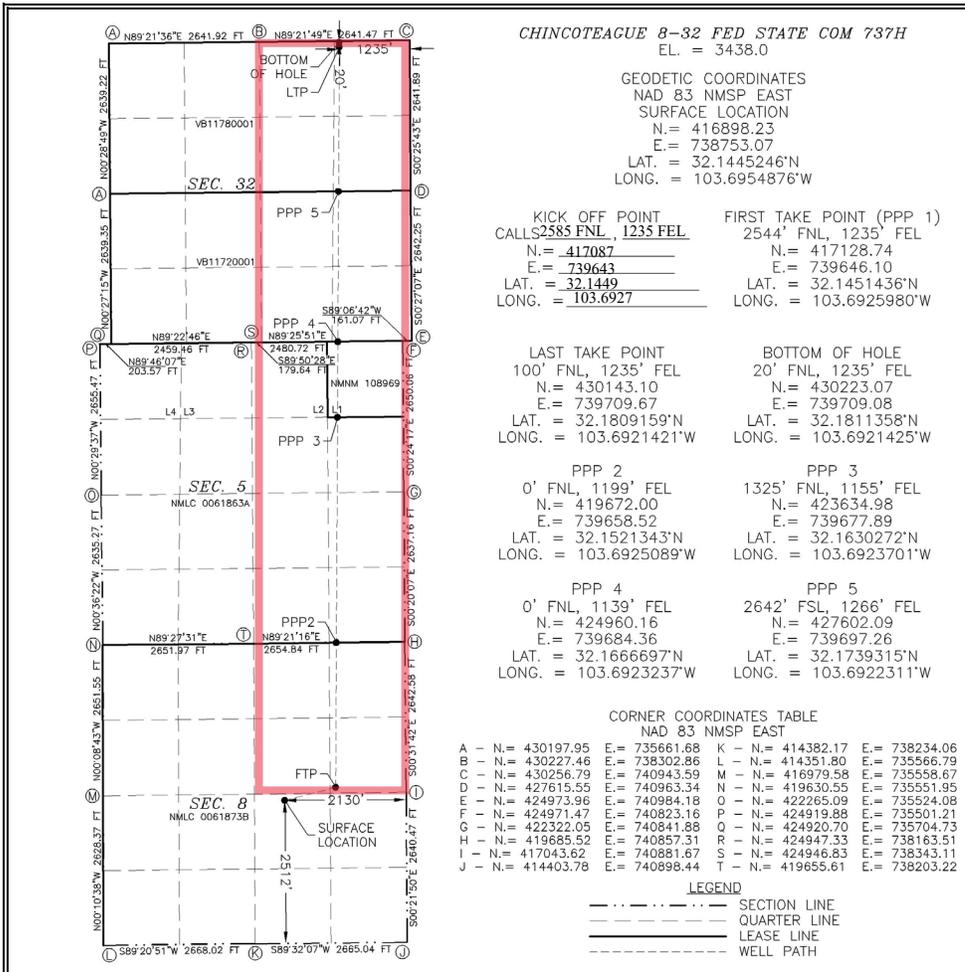
Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

Bottom Hole Location If Different From Surface

Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

Table with 4 columns: Dedicated Acres, Joint or Infill, Consolidation Code, Order No.

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.



Operator Certification and Surveyor Certification sections with signature lines and dates.

WELL TYPE
DEFINING

Offset Ownership Plat

Non-Standard Location Application

Chincoteague 8-32 Fed State Com 713H

E/2 Section 32 - 24S - 32E and E/2 Section 5, NE/4 Section 8 - 25S - 32E

Lea County, NM

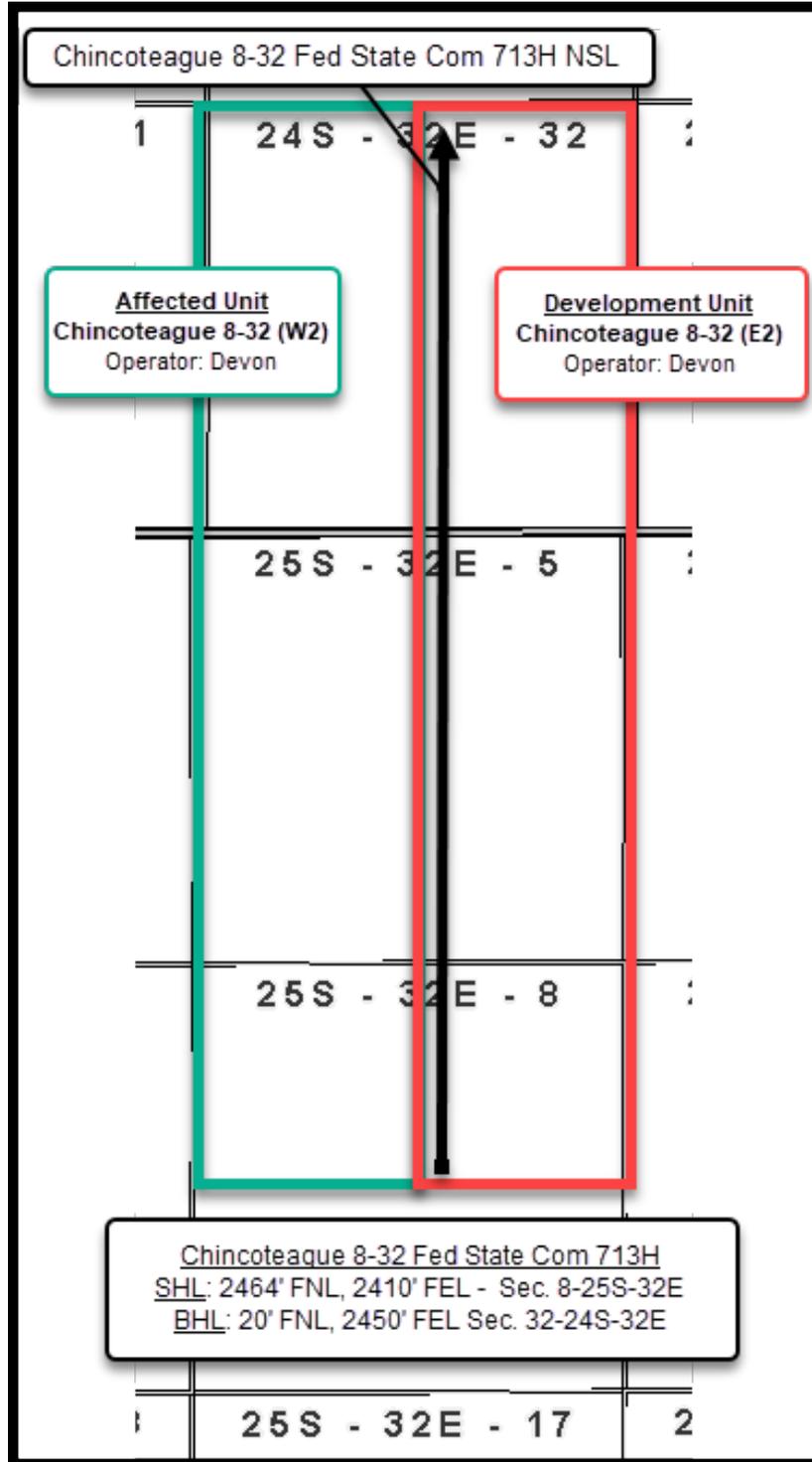


EXHIBIT
C

Bureau of Land Management	301 Dinosaur Trail	Santa Fe	NM	87508
Bureau of Land Management	620 E Greene St.	Carlsbad	NM	88220
New Mexico State Land Office	310 Old Santa Fe Trail	Santa Fe	NM	87501

EXHIBIT
D



Paula M. Vance
Associate
Phone (505) 954-7286
PMVance@hollandhart.com

August 2, 2024

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

Re: Devon Energy Production Company, L.P
Request for Administrative Approval of Unorthodox Well Location

Chincoteague 8-32 Fed State Com 713H well
E/2 of Section 32, Township 24 South, Range 32 East; Lots 1-2, the S/2 NE/4, and the SE/4
(E/2 equivalent) of irregular Section 5, and the NE/4 of Section 8, Township 25 South,
Range 32 East, Lea County, New Mexico
WC-025 G-08 S253216D; Upper Wolfcamp [98270]
API No. 30-025-52974

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from the date this application is received by the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Ryan Cloer
Devon Energy Production Company, L.P.
(405) 228-2448
Ryan.Cloer@dvn.com

Sincerely,

Paula M. Vance
ATTORNEY FOR
DEVON ENERGY PRODUCTION COMPANY, L.P

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Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

Devon -Chincoteague 8-32 Fed State Com 713H - NSL
Postal Delivery Report

9214 8901 9403 8372 7819 36	Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	In-Transit
9214 8901 9403 8372 7819 43	Bureau of Land Management 620 E Greene St Carlsbad NM 88220	In-Transit
9214 8901 9403 8372 7819 50	New Mexico State Land Office 310 Old Santa Fe Trail Santa Fe NM 87501	In-Transit

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 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 370530

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 370530
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	8/5/2024